COMMERCE AMERICA

U.S. Department of Commerce / November 21, 1977

World Patent Treaty Coming into Force

Newsmemo

U.S. manufacturers are flying highest in the fastest climbing world aircraft market. This is the field called "general aviation," which embraces non-military and non-airline equipment. Sales of smaller aircraft are up due to needs of multinational corporations and companies with many widely separated establishments, demand for agricultural/exploratory aircraft, and higher productivity of new generation turbofan and turboprop engines. Through September this year, U.S. firms produced 12,524 units, or 94 percent of all free world production. The U.S. general aviation industry projects 1977 shipments at $1.4 billion, up 14 percent from the 1976 figure.

The rental market in industrial instruments is coming on with a rush. Such equipment has become highly complex, and is sometimes used intermittently, so that renting is explored as an alternative to the growing capital cost of ownership. Although the estimated $40-50 million rental market is still relatively small (sales in 1977 will be in the $4-5 billion range), it is growing at 15-25 percent per year. Rental users see greater operating flexibility, access to state-of-the-art items at all times, freedom from unexpected repairs and adjustments, and increased liquidity of capital.

U.S. manufacturers face stiff competition in some of their best markets. West Germany has been the largest foreign market for U.S. finished electronic components, such as tubes, transistors, crystals, condensers and resistors. About an eighth of all U.S. exports in this field are sent there. But in the past three years the U.S. share of the West German market has slipped from 22.5 to 19.8 percent. Meanwhile the Japanese have made a significant penetration, increasing their share of the West German market from 8.5 to 10.9 percent.

Congratulations to the Port of New Orleans for "overall excellence in port communications." A notable aspect in the competition sponsored by the American Association of Port Authorities was that there were more than 100 entries from ports in the U.S. and Canada. Port officials are recognizing that progress for them means imaginative efforts in telling their stories to clients and the general public. The unique symbolic prize awarded to New Orleans is the speaking tube from Admiral Byrd's Antarctic exploration ship "Bear of Oakland."

Mail order business, what does it include today? Maxwell Sroge Co. of Chicago, offering its fifth annual report on the industry, gives estimated sales figures in the following categories: books, collectibles, crafts, electronic goods, foods and health foods, gardening and nursery products, home furnishings and accessories, insurance, magazine subscriptions, photofinishing, ready-to-wear clothing, records and tapes, and sporting equipment. It all added up to $19.2 billion in 1976 mail purchases, up 13.8 percent over 1975, according to Maxwell Sroge computations.

Major corporations are getting into the mail order business increasingly. The Maxwell Sroge report lists the following as having substantial positions: W. R. Grace, S. C. Johnson, General Mills, General Foods, Pillsbury, ITT, Bell & Howell, IBM, Time-Life, CBS and RCA. Sroge comments: "The increased participation by larger corporations is due to the evident growth and profitability of the business. Additionally, technological developments such as home video recording and playback will be adding great impetus to in-home sales in future years."

Reminder to exporting firms: a new Schedule B goes into effect on Jan. 1. The Census Bureau's "Statistical Classification of Domestic and Foreign Commodities Exported from the United States" contains the revised code identifications for exported goods required on Shipper's Export Declaration forms. The new Schedule B manual is available at $13 from Superintendent of Documents, U.S. Govt. Printing Office, Washington, D.C. 20402. Also, users of trade data will be assisted by a special report, "1978 Changes in U.S. Foreign Trade Classifications and Publications," available free from International Trade Analysis Staff, Room 5618, U.S. Dept. of Commerce, Washington, D.C. 20230.

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COVER: By next July, U.S. patent officials expect, American inventors will find it easier and faster to apply for patents in foreign countries because of the Patent Cooperation Treaty coming into force. Story beginning on page 8 tells of the important U.S. role in developing the Treaty and its effect on American business.

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Creamer Report Proposes Six-Year Improvement Project For GNP Data

This article was prepared by Chief Economist Courtenay Slater in collaboration with Norman Frumkin, economist with the Bureau of Economic Analysis.

Dr. Slater

The most comprehensive evaluation of the gross national product data base ever undertaken has resulted in a report setting out a detailed six-year program for improvements in the GNP statistics. The review was conducted by the Advisory Committee on GNP Data Improvement, chaired by Dr. Daniel Creamer of the Conference Board and, hence, best known as the Creamer Committee.

The committee was established in response to concerns that the potential range of error in the initially published quarterly GNP statistics increases the difficulty of making appropriate economic policy decisions. Four and one-half years of hard work by the Creamer Committee have produced a soon-to-be-published report containing more than 150 specific recommendations for improvements in data and methodology. The estimated cost of achieving these improvements (measured in 1976 prices) would be about $25 million spread over a six-year period.

The gross national product accounts are the universally accepted framework for analysis of historical and current economic trends, and for projecting the impact of alternative policies on economic activity. They are used by economists of all persuasions — Keynesians, monetarists, neo-classicists, and eclectics alike. It is difficult to realize that there was once a time when this framework did not exist. Regular publication of national income and product estimates was begun by the Department of Commerce in the 1930s.

Since that time there has been a continuing effort to improve the quality of the national accounts. The U.S. national economic accounts today are widely respected for their general accuracy and reliability and for their carefully developed conceptual framework. They have served as the model for the development of national accounts in many other countries. Nonetheless, the possible margin of error in the GNP estimates, especially in the initially published quarterly estimates, remains a concern to statisticians and economic policymakers.

Range illustrated

The accompanying table illustrates the range within which revisions to the GNP accounts typically fall. The average revision in constant dollar GNP from the first published estimates to the annual July revision, for example, is about 1 percentage point on the quarterly growth estimate; that is, for a quarter in which the annual rate of growth in real GNP was initially estimated at 5 percent, the annual July revisions on the average might show a real GNP growth rate revised downward to 4 percent or upward to 6 percent. In some quarters the revisions are of course larger. For example, the real GNP growth rate in the fourth quarter of last year was initially estimated to be 3 percent, but after the revisions in July is now estimated to have been only 1.2 percent. In nine out of 10 cases the revision will fall within a range of about plus or minus 2 percentage points.

The first published estimates of GNP for a given quarter normally are released about 15 days after the end of that quarter. At that time, only fragmentary data are available for the third month of the quarter. No data are available, for example, concerning the third month's business inventory changes or international trade flows, and even data for the middle month of the quarter are still incomplete in these areas. Hence, a revised quarterly GNP estimate is issued 45 days after the end of the quarter. Each July, data extending back three years are revised to incorporate additional information, such as more complete information about corporate profits that has become available from tax returns. In January 1976, major historical revisions extending back through 1946 were published. And earlier this year, revisions going back to 1929 were published. These included many conceptual changes as well as data revisions.

These various revisions have, on occa-

REVISION IN CONSTANT DOLLAR GNP
quarter-to-quarter percent changes at annual rates

	Average, without regard to sign	Range (9 out of 10 times)
Preliminary 15-day estimate to Revised 45-day estimate	0.5%	−0.9 to +1.1%
Preliminary 15-day estimate to first July revision	1.0%	−1.9 to +2.0%
Revised 45-day estimate to first July revision	1.0%	−1.6 to +1.9%

sion, given a somewhat different picture of the pattern of economic activity than was portrayed in the initial figures. In fact, it was the uncertainty among economic policymakers over the reliability of provisional GNP estimates caused by two revisions in the early 1970s that triggered the Creamer Committee's in-depth assessment of the entire GNP data base.

The first revision occurred in July 1971 and the second one six months later in January 1972. These showed that the recession of 1969-70 had a heavier impact on business incomes and that the recovery of 1971 was not as buoyant as the early figures indicated.

Policy implications

There have been other revisions before and since that could have had policy implications. Revisions of the 1974 data, for example, showed a much bigger buildup of inventories in the fourth quarter of 1973 and first quarter of 1974, the period just preceding the recession of 1974-75, as well as substantially greater increases in farm incomes in 1973 than suggested in the preliminary figures.

The concern over the revisions in the 1969-71 figures caused the Statistical Policy Division of the Office of Management and Budget to set up the Advisory Committee on GNP Data Improvement (Creamer Committee), composed of nongovernmental experts, to provide an independent evaluation of the GNP data base. (The Statistical Policy Division of OMB last month became the new Office of Federal Statistical Policy and Standards in the Department of Commerce.) The committee's aim was to identify the major weaknesses in the underlying data and to make specific recommendations for remedying these deficiencies. The 4½-year study, known as the GNP Data Improvement Project, was completed in September 1977. The summary chapter appeared in the September 1977 *Statistical Reporter* and the entire report will be published in about 2 months.

The GNP numbers published by Bureau of Economic Analysis (BEA) are based on a wide range of data series such as retail sales, construction activity, business inventories, payrolls, profits, prices, etc. This information is derived mainly from survey and administrative record statistics provided by a number of federal agencies —e.g., Bureau of the Census, Bureau of Labor Statistics, Federal Trade Commission, Department of Agriculture, Internal Revenue Service. These "raw" data are processed by BEA into the GNP estimates.

The underlying data series are not developed specifically for measuring the GNP and thus do not necessarily conform to the concepts and timing of the GNP estimates. They are used because they are the best available information at the least cost. Numerous adjustments and data gap filling are necessary in processing these data for the GNP. This calls for a considerable knowledge of the underlying data, checking against trends in related series, and professional judgments.

Because of the close link between the data base and the processing of the survey and administrative record data into the GNP estimates, the Creamer report makes recommendations both for improving the underlying data provided by the various federal agencies and for strengthening the procedures employed by BEA in preparing the GNP estimates. The analysis of data weaknesses and the recommended improvements were based on extensive consultations with the various statistical agencies. Weaknesses arising from all sources were evaluated, including problems suggested by past revisions and those inherent in the data irrespective of revisions.

Some of the recommendations require additional funding and others can be accommodated within existing resources. The incremental funding over the six-year period is roughly estimated at $25 million in 1976 prices, or about 4 percent of the total spending for the principal Federal statistical program in FY 1976.

What will the $25 million buy? First, the improved GNP aggregates and major components would be used for making short-term fiscal, monetary, and other economic policy decisions affecting billions of dollars of the nation's output and the related jobs and purchasing power. Second, the more refined detailed elements of the national accounts would enhance analyses of longer-term structural changes in the economy. Third, the more reliable data would have important applications beyond the GNP framework—e.g., better information on Foreign Military Sales, banking regulation, farm production and income, and tariff negotiations.

Main focus

Although the report's conclusions are wide-ranging and its implementation would produce improved data for many uses, the main focus remains improvement in the quarterly GNP estimates. One type of recommended improvement would be the collection of quarterly survey information for those sectors of the GNP accounts for which such information presently is lacking. These include farm income, income from noncorporate business, and rental income, as well as a substantial fraction of state and local government purchases. The quarterly estimates currently published for these sectors are derived largely from indirect sources or trend estimates.

Other recommendations are for various types of technical improvements in existing survey data. These included improved sample designs, new techniques to improve response rates, better measures of price change, and more attention to the basic economic causes of seasonal patterns in the various data series.

Implementing the recommendations for data improvement will require action by all the major statistical agencies including the Census Bureau, Bureau of Labor Statistics, Economics and Statistics Service of the Department of Agriculture, the Federal Trade Commission, and others. A number of recommendations also are made for improvements in the methodology employed by the Bureau of Economic Analysis. These include publication of monthly estimates of personal consumption spending, personal tax payments, and personal saving, along with the publication of monthly personal income estimates, publication of additional revisions in the quarterly GNP estimates 75 days after the end of each quarter, and speeding up the incorporation of the quinquennial benchmarks into the quarterly and annual time series so that they can be published one year after the five-year input-output tables are completed.

Methodology description

A recommendation to which the Creamer Committee attached particular importance and one which will be of interest to many users of the GNP accounts, is for publication by BEA of a complete description of the methodology used in preparing the GNP accounts. This is among the recommendations for which implementation is already under way. Other recommendations that have already had an effect during the 4½-year period of the Creamer Committee's deliberations include the recommendations for the expanded collection of benchmark information through the five-year economic censuses. The soon-to-be-conducted 1977 economic censuses will, for example, include for the first time surveys of nonprofit organizations and all professional services.

The Creamer report is an advisory report. Although the government does not have to accept the recommendations, the breadth, depth, and professionalism of the study insure that the recommendations will be given a high priority in planning economic statistics programs in the coming years. The new Office of Federal Statistical Policy and Standards of the Department of Commerce will oversee the implementation of the recommendations.

It should be kept in mind that in an imperfect world and one of constantly emerging problems that are difficult to anticipate, there will always be errors and gaps in statistical information. The aim of the report is to reduce the significance of these occurrences for economic policymaking in the years ahead. This is in the long tradition of the continuing efforts to improve the content and quality of the national economic accounts.

World Patent Treaty Coming into Force

... the U.S. Patent and Trademark Office in Washington will act as a receiving office and an international searching authority for the purpose of processing international applications ...

Obtaining international patent protection will be considerably easier and faster next year for U.S. business and inventors generally when the long-awaited Patent Cooperation Treaty becomes effective in January after an 11-year struggle.

When the United Kingdom ratified the Treaty October 24, it became the fourth industrial nation having major patent activity to do so among a total of 12 ratifiers thus placing the Treaty in force within three months. Switzerland and the Federal Republic of Germany had already ratified it as did the United States on November 26, 1975. The other ratifiers are Cameroon, Central African Empire, Chad, Congo, Gabon, Madagascar, Malawi, Senegal and Togo.

"This is the most important Treaty on patents that the U.S. has joined in nearly 100 years," said Lutrelle F. Parker, Acting Commissioner of Commerce's Patent and Trademark Office, last week. "The Treaty will make it easier for American businesses to obtain patent protection in foreign countries and over the long term should help our balance of payments with additional income from sale and licensing of technology abroad," he added.

This international effort simplifies and expedites the filing of patent applications on the same invention in different countries. To this extent, the Treaty constitutes the first worldwide agreement for patent cooperation.

International applications may be filed beginning next July, it is expected by U.S. patent officials. The exact date is to be set by the Assembly of the Patent Cooperation Treaty when it meets in April. The additional six-month period will afford the various patent offices of the Treaty member countries time to ready themselves for their duties as international authorities under the Treaty.

In this country, the Patent and Trademark Office here in Washington will act as a receiving office and an international searching authority for the purpose of processing international applications and providing international patent search reports.

By filing a single international application, U.S. patent applicants will be able to effect a simultaneous filing in as many Treaty member countries as they designate. An applicant who first filed a national application in his country and decided to file an international application at the end of the 12-month priority period provided by the Paris Convention for the Protection of Industrial Property will then have at least an additional eight months in which to furnish translations and pay the national fees for the countries designated. Furthermore, prior to the time for paying national fees and furnishing translations, they will receive an international search report to aid them in evaluating whether to continue to seek protection in the designated countries.

Centralized filing procedures and a standardized application format will simplify the procedure greatly. The additional time period over and above that provided by the Paris Convention enables the applicant to evaluate the strength of his potential patent and to determine his marketing plans before

incurring the expenses of proceeding on a national level. Needless duplication of effort by patent offices will also be substantially reduced under the terms of the Patent Cooperation Treaty.

The Treaty has been under development since 1966 by the United International Bureau for the Protection of Intellectual Property, now the World Intellectual Property Organization, which acts as the Secretariat of the Paris Union for the Protection of Industrial Property. By June 1970, the Treaty was finally approved after four years of hard negotiation between prospective member countries. A signing ceremony took place following a four-week Washington Diplomatic Conference at the U.S. State Department that year attended by representatives of 77 nations. The U.S. joined 19 other nations in signing the historic document. Other original signers included Algeria, Brazil, Canada, Denmark, Finland, Federal Republic of Germany, Holy See, Hungary, Ireland, Israel, Italy, Japan, Norway, Philippines, Sweden, Switzerland, United Arab Republic, United Kingdom and Yugoslavia. By the end of 1970, 35 nations signed the Treaty.

At the time of the signing, then U.S. Patents Commissioner William E. Schuyler, Jr., called the Treaty "a giant step forward in the international protection of intellectual and industrial property." He added that he hoped the U.S. would be "one of the first nations to make use of the Treaty's provisions."

A key obstacle to the Treaty, and one of particular concern to industry groups in the U.S., was the question of retaining national control of the "prior art effect" of U.S. patents with regard to applications filed under the Treaty. The solution reached by the conference permitted the U.S. and the other nations to retain principles of current domestic patent law after the Treaty goes into operation.

This provision is contained in a clause (Article 64(4)(a)) which says: "Any State whose national law provides for prior art effect of its patents as from a date before publication, but does not equate for prior art purposes the priority date claimed under the Paris Convention for the Protection of Industrial Property to the actual filing date in that State, may declare that the filing outside that State of an international application designating that State is not equated to an actual filing in that State for prior art purposes."

A principal feature of the Treaty is a procedure permitting an applicant to file an international application in the patent office of his own country in an "agreed language" such as English in the case of U.S. citizens. The application will have a standard format acceptable to all member nations and will include designation of one or more member nations in which the applicant desires protection. At the time of filing, the international application will be subject to an international fee, but payment of national fees and translation expenses will be delayed until completion of international processing. An international search report will be prepared by one of a number of qualified international searching authorities, one of which will be the U.S. Patent and Trademarks Office.

A copy of the report will be furnished to the applicant who may then wish to amend his application in view of the prior art cited in the report. The World Intellectual Property Organization in Geneva, Switzerland, will distribute to each state designated by the applicant copies of the international application, with amendments, and the search report. National processing, examination, and issuing of patents will then be up to each individual country under its national patent law.

Use of the Treaty provisions is optional, and applicants still may continue to file national applications in each nation in which they seek protection, if they prefer this method.

Also optional and of principal interest to developing nations who do not have extensive searching and examining facilities available is the provision allowing for preparation by one of the qualified examining authorities of an international preliminary examination report comprising an advisory opinion on the novelty, non-obviousness, and industrial applicability of the claimed invention. Nations which lack sufficient resources to maintain well-staffed patent offices capable of keeping pace with current world-wide technology, but which are attempting to increase their technological base by developing a sound patent system to attract foreign capital and know-how, may find this provision of particular benefit.

Developing nations benefit also from a Committee of Technical Assistance which will be established under the Treaty to provide technical assistance for such member countries in developing their patent system individually or on a regional basis.

In its technical aspects the Treaty, doubtless, will be of principal interest to those concerned with the protection of industrial property around the world. But the Treaty is much more than a document to preserve the rights of inventors and to simplify the work of specialists in patent law and procedure. It represents another strand in the growing web of international understanding that is slowly but surely making global relationships more productive for the good of all people.

... the applicant should be better able to assess the potential of his invention before deciding to incur the major expenses of national processing in many foreign countries.

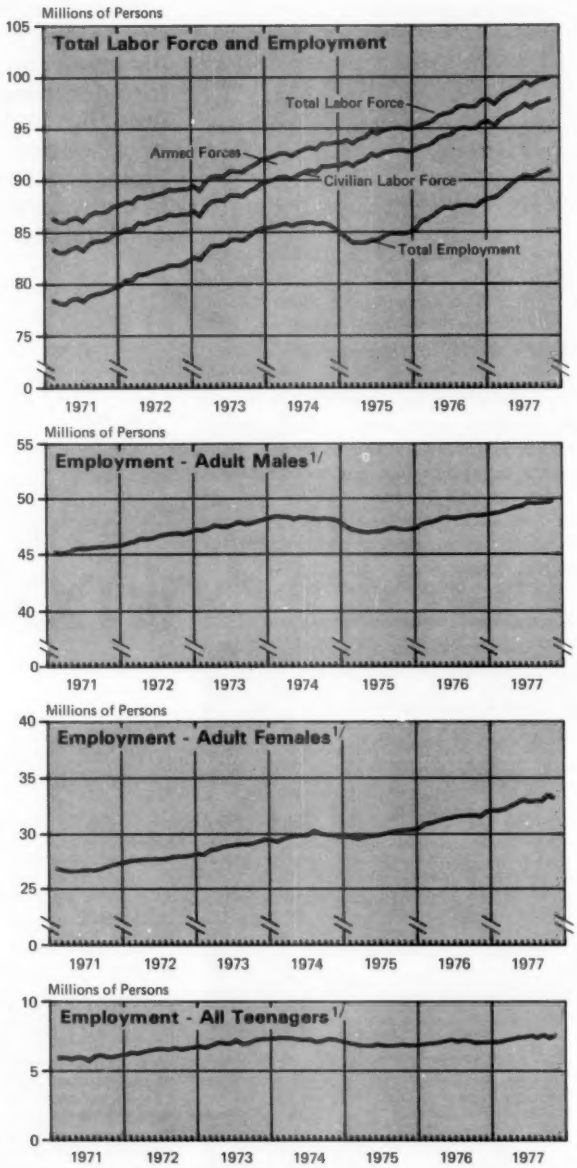
DIPLOMATIC CONFERENCE—From this Washington assemblage of representatives from 77 nations came the Patent Cooperation Treaty seven years ago. The U.S. and 18 other nations signed immediately, 16 signed later. The Treaty goes into force in January after 12 nations have ratified it, the U.S. among them.

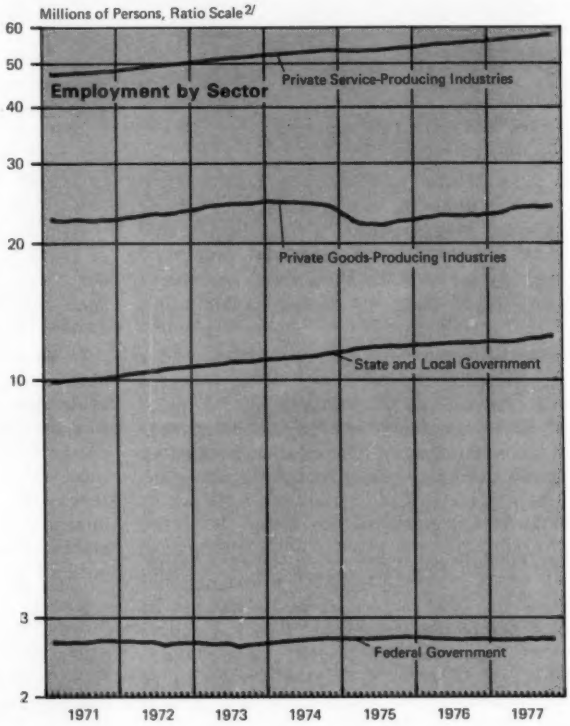
CURRENT ECONOMIC DEVELOPMENTS

Labor Force And Employment

Jobs, Labor Force Rise At Moderate Pace After Rapid Gain In First Half

Employment increased only modestly in October and gains in recent months have not been nearly so robust as in the first and second quarters of the year. Over the past 12 months, exceptionally strong increases have been recorded in both employment and the labor force. Even though total employment gains have not been as large in recent months—a reflection of a shift to a slower rate of growth in the economy—the total number of people at work is now about 3½ million above the level of a year ago. Female employment in particular expanded rapidly in both 1976 and 1977—an acceleration of a long-term pattern.





LABOR FORCE AND EMPLOYMENT SEASONALLY ADJUSTED	OCT. 1976	SEPT. 1977	OCT. 1977
	Millions of Persons		
Total Labor Force Including Armed Forces Overseas	97.449	99.999	100.236
Civilian Labor Force	95.302	97.868	98.102
Total Employment	87.738	91.095	91.230
Adult Males	48.684	49.884	50.043
Adult Females	31.811	33.672	33.474
All Teenagers	7.243	7.539	7.713
EMPLOYMENT BY SECTOR			
Private Goods-Producing Industries	23.323	24.400	24.432
Private Service-Producing Industries	56.496	58.407	58.494
State and Local Government	12.258	12.623	12.640
Federal Government	2.730	2.728	2.728

1/ Adults are 20 years and over; teenagers are ages 16–19.

2/ On a ratio grid, equal vertical distances represent equal percentage changes.

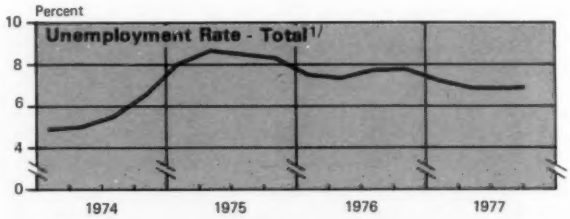
SOURCE: Bureau of Labor Statistics

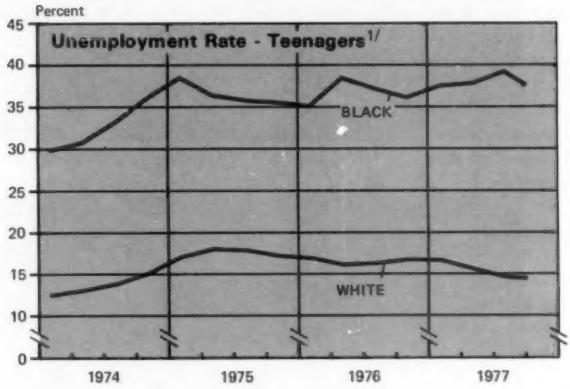
CURRENT ECONOMIC DEVELOPMENTS

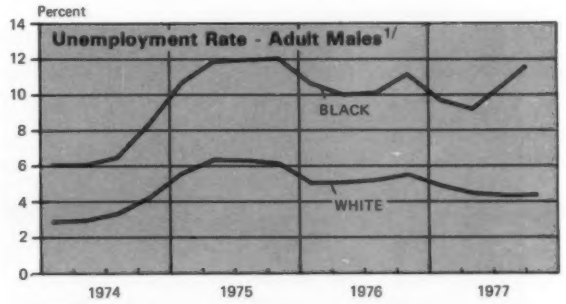
Unemployment

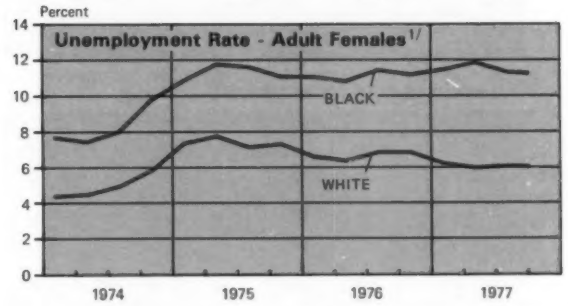
Jobless Rate Drops, Then Shows Little Change For 7 Months

The nation's unemployment rate declined faster than expected in late 1976 and early this year, then remained essentially level for seven months. From March to October the rate was within one-tenth of a percentage point of 7 percent. Over the past 12 months, the unemployment rate for whites has improved a full percentage point while the rate for blacks and other minorities is slightly higher. However, the rates for black males and females have moved in opposite directions in recent months. The employment ratio took an unusually sharp dip during the 1974-75 recession, but it has now reached the highest point in many years.



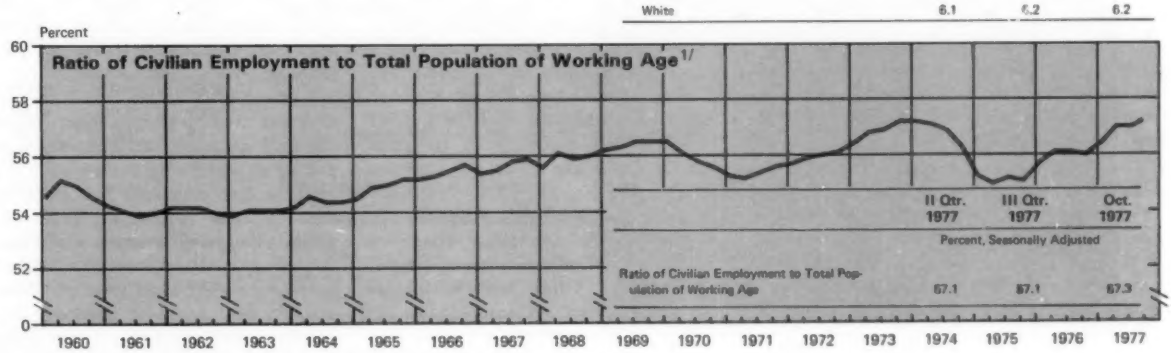






UNEMPLOYMENT RATES	II Qtr. 1977	III Qtr. 1977	OCT. 1977
	Percent, Seasonally Adjusted		
UNEMPLOYMENT RATES			
Total	7.0	7.0	7.0
Teenagers			
Black	38.1	39.5	37.9
White	16.0	15.0	14.8

UNEMPLOYMENT RATES	II Qtr. 1977	III Qtr. 1977	OCT. 1977
	Percent, Seasonally Adjusted		
Adult Males			
Black	9.3	10.7	11.7
White	4.6	4.5	4.5
Adult Females			
Black	12.0	11.5	11.4
White	6.1	6.2	6.2



	II Qtr. 1977	III Qtr. 1977	Oct. 1977
	Percent, Seasonally Adjusted		
Ratio of Civilian Employment to Total Population of Working Age	57.1	57.1	57.3

1/ Monthly data are subject to great variation: 3 month average values are used here.

SOURCE: Bureau of Labor Statistics

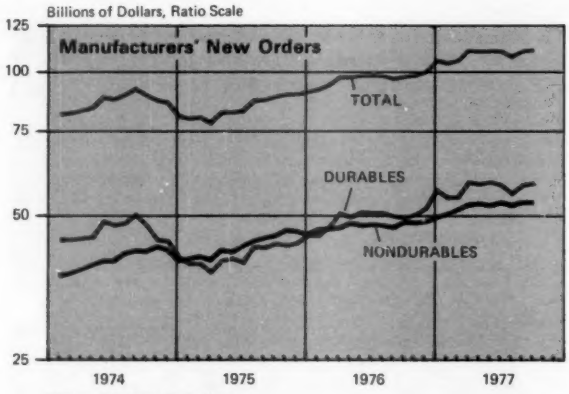
CURRENT ECONOMIC DEVELOPMENTS

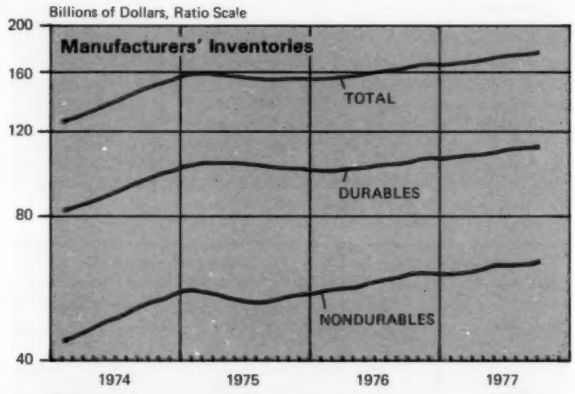
Manufacturers' Inventories And Orders

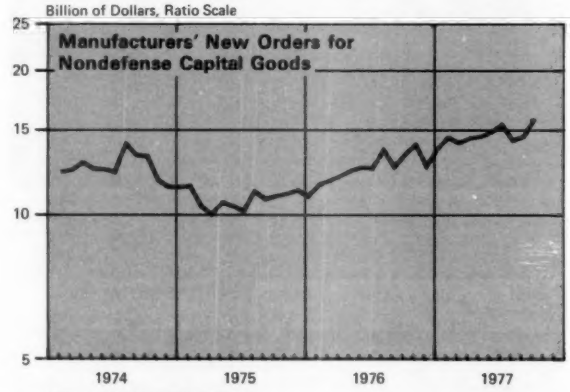
Factory Orders Show Little Change After Sharp Winter Advance

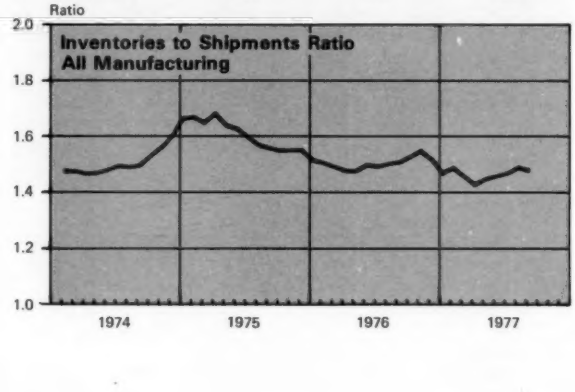
Manufacturers' new orders recovered some lost ground in August and September but still show an essentially flat performance since March. The volatile durable goods component has exhibited a similar pattern. Total factory orders had advanced at an exceptionally rapid pace, however, in late 1976 and early this year and are still 13 percent ahead of a year ago. Orders for nondefense capital goods rose significantly in August and September.

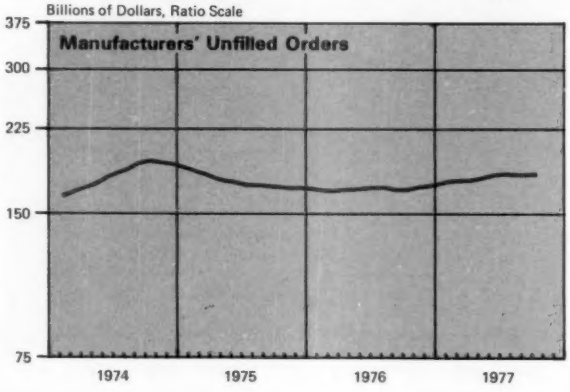
Manufacturers increased their inventories gradually this year and the ratio of inventories to shipments is at a moderate level.











MANUFACTURERS' ORDERS AND INVENTORIES	SEPT. 1976	AUG. 1977	SEPT. 1977
	Billions of Dollars		
MANUFACTURERS' NEW ORDERS			
Total	98.476	111.494	111.979
Durables	50.068	58.270	58.774
Nondefense Capital Goods	13.468	14.678	15.951
Nondurables	48.409	53.224	53.205
MANUFACTURERS' UNFILLED ORDERS	170.504	182.646	183.046
MANUFACTURERS' INVENTORIES			
Total	164.965	175.104	176.397
Durables	104.116	111.452	111.832
Nondurables	60.849	63.652	64.565
INVENTORIES TO SHIPMENTS RATIO	1.53	1.49	1.48

SOURCE: Bureau of the Census

Kreps' View of U.S. Economy: Promising, With Some Clouds

NO DECISION YET ON POSSIBLE STIMULANTS TO SUSTAIN GROWTH; NEED TO HELP LAGGING AREAS EMPHASIZED

A broad economic program, designed to sustain the economic recovery and extend it to lagging areas and industries, was outlined by Commerce Secretary Juanita M. Kreps in a recent speech before the National Press Club in Washington.

Talking about "The Challenges Ahead for Economic Policy," the Secretary discussed tax cuts and reform, structural problems in the economy, the unemployment problem, particularly in troubled areas, responsibilities faced by the government, use of public employment as a complement to other policies, help to high unemployment areas, trade adjustment assistance, and John Maynard Keynes and fiscal policy.

Mrs. Kreps, the first economist to hold the Commerce Cabinet post, said she continued to believe that in the short run the pace of economic growth would be reasonably satisfactory and that by the end of the year the unemployment rate would have left the 7 percent level and resumed a downward course.

She said, however, that the projections indicate that, without policy adjustments, real growth in 1978, particularly in the second half of the year, is likely to be below the pace needed to achieve the Administration's basic economic goals.

"Among the factors clouding the 1978 outlook," she commented, "are pending tax increases for Social Security and unemployment insurance. Further, there is the effective income tax increase that occurs as inflation pushes people into higher brackets. Both tax increases will tend to lower spendable income at a time when the economy's expansion is rapidly aging by historical business cycle standards. . . .

"It would be a mistake to assume that the Administration will not take the actions necessary to sustain the economic recovery. We know that the key to sustaining satisfactory expansion is maintaining consumer and business spending. . . .

"Indeed, to prevent taxes (including social security taxes) from rising as a percent of personal income, a cut of about $15 billion will be required next year. Such a tax cut for individuals would reduce the drag on consumer spending that results from our progressive tax structure and the increases in payroll taxes.

"The other key to our economic prospects for 1978 is business investment. For a long time investment was the orphan in this economic recovery. This year, however, real business fixed investment will be some 8 or 9 percent above last year, a very good performance. . . .

"As the economic data for the rest of this year come in, the Administration will have to weigh carefully the suggestions that have been made for tax policy next year. Some have suggested separating tax stimulus portions of the package from the tax reform measures to aid early passage of the stimulus portion. But this may not be a feasible alternative, since most of the tax proposals combine elements of both reform and revenue impact.

"If a tax cut appears to be needed on the basis of the fourth quarter projections, it might be useful to separate the tax package into two stages with elements of reduction and reform in each. Those reforms with the broadest support could come first, together with some personal and business tax reductions to provide a boost to the economy in the second half of 1978. The more complex tax issues could come up later when the pressures for economic stimulus will have abated somewhat.

"Though no decisions on stimulus will be made until the President sees the fourth quarter results, two points deserve emphasis. First, the President is committed to broad tax reform that will make the system fairer, simpler, conducive to capital formation and strong economic growth. Second, action to reduce taxes is not inconsistent with achieving these tax reform goals. The Administration has always viewed tax reform in conjunction with major tax cuts and will continue to do so in the context of the economic outlook for next year."

Mrs. Kreps said basic conditions for a continuation of good investment performance next year included:

—Continuation at a moderate but sustainable pace of economic growth, helped if necessary by tax adjustments.

—An underlying inflation rate that will not grow worse but may moderate somewhat. Union wage settlements have been moderating, and next year is the "light" year of the collective bargaining cycle. Good harvests this year will restrain food price increases.

—An energy program that will be on the books, with the result that uncertainty associated with the passage of this issue will subside.

Facing up to higher costs

In a question and answer period after her speech, Mrs. Kreps was asked if it was not inflationary and self-defeating to place an extra burden on companies in the new Social Security Act. She pointed out that the cost of retirement in the United States is very high and will be higher. She said everyone must face up to higher social security costs, and that this has not been done.

Mrs. Kreps said that, although business may expect a climate of greater economic certainty, several structural problems persist: unemployment remains far too high; rising incomes and growth tend to bypass some cities and regions; and some industries and workers are adversely impacted by trade policies or other economic events beyond their control.

"These problems will linger in part," she commented, "because they do not respond evenly to treatment through overall tax and spending policies. Thus, even if fiscal measures are successful, some groups of workers fail to gain from prosperity."

She pointed out that, while the national unemployment rate is declining, it is rising in cities like Detroit, Baltimore, New York, Cleveland, and St. Louis, and that industries as diverse as footwear and steel are closing plants while the gross national product is rising at a healthy pace.

It is to these pockets of trouble, she said, that attention must be directed. Here,

she added, the government faces two responsibilities:

—To improve the jobs and income of people in cities and towns such as those in the Northeast and industrial Midwest that face long-term economic decline.

—To cushion the shock and speed of the adjustment of those who are hurt by sudden shifts in their economies brought about by either external events or on occasion by government policies.

Although the Federal Government has channeled billions of dollars in welfare, public jobs and housing to depressed cities and regions, she said, two ingredients have been missing: local communities have not had the capacity to plan the use of these resources in ways that would rejuvenate their economies; and there has been no adequate program of economic development, programs that create private sector, permanent jobs in lagging areas.

Recalling that public service employment had been used as the principal tool in fighting unemployment pockets, she said she supported this only as a complement to other economic policies.

"It does little lasting good," she explained, "to pump money into a community unless one simultaneously creates within the community the capacity to produce something of value for which the money can be exchanged. To stimulate demand without creating productive activity will provide only the most temporary relief. The money we pour into one end of the community will only run through the local economy and out the other end.

"It will, therefore, be a great disservice to the young and the minorities who suffer such high rates of idleness if we fail to promote the creation of permanent jobs.

"We have a variety of programs that can channel aid to high unemployment areas. We can improve the physical environment of a community to make it a more attractive investment location. We can provide loans to businesses that locate in depressed areas. We can provide retraining to unemployed workers. But the government's resources are limited. If these programs are to have lasting benefit, public investment in people and communities must be leveraged into much higher levels of investment by the private sector.

"In addition, the government needs to promote the adjustment of local economies that have been hurt by government policies or external events. Here I include workers and communities affected by military base closings, drought, and foreign trade.

Mrs. Kreps said the Administration is using the trade adjustment assistance programs to deal with the frequent harsh impact of free trade on specific workers and industries.

"The emphasis in our new Trade Adjustment Program," she said, "will be to encourage trade-affected firms and communities to take new initiatives—to explore new technologies, retool their plants, expand their markets. Financial help in the form of grants and loans will be provided. But its purpose is to cure the curable. Trade adjustment is not intended to sustain firms that are unable to compete in markets once an adjustment period is completed.

"The same is true for workers. Simply providing expanded unemployment insurance . . . is not the answer. Trade adjustment will supplement workers' incomes while they undergo retraining. It will pay for the cost of searching out new jobs and the costs of moving to new jobs."

Recalling that John Kenneth Galbraith said recently that the Keynesian era had ended because it didn't solve some economic problems, including many of those it created, the Commerce Secretary said:

"What we learned from Keynes is still very important. Fiscal stimulus and constraint clearly influence growth, income and jobs. Our mistake has been to rely altogether on fiscal policies to solve problems that are partly structural in nature. What we must do is to find better ways to stimulate jobs and incomes in particular sectors or locations that are suffering under-development or temporary disruptions, and to do so without overheating the overall economy.

"To this second set of policies the Administration will be giving increased attention. Here the solutions are not as neat or mathematically tidy as economists would like. But then, economists have spent enough time seeking to solve with great elegance many problems not likely ever to occur. It's the problems that do occur that we are now addressing."

ADVISERS RECOMMEND CABINET-LEVEL COUNCIL FOR MARINE AFFAIRS

Establishment of a Cabinet-level Marine Affairs Council in the White House to develop a national marine strategy and coordinate federal ocean programs has been recommended by the National Advisory Committee on Oceans and Atmosphere (NACOA).

The Advisory Committee, whose members are appointed by the President from outside the Federal Government, was created by Congress in 1971 to report annually on the state of the nation's marine and atmospheric programs. Its sixth annual report was transmitted to the President and the Congress by Secretary of Commerce Juanita M. Kreps, together with comments reflecting the views of the various federal departments and agencies.

NACOA repeated its previous appeals for greater consolidation of federal agency marine and atmospheric programs, but emphasized that the serious threat to the many uses of the sea posed by recent international developments calls for concerted action at the highest levels of government.

The report, citing the continued failure of the United Nations Conference on Law of the Sea to reach agreement on matters vital to the United States, increasing U.S. dependence on Middle East oil and on reliable shipping to transport it, and sharpening competition for ocean use and resource development, expressed concern "that we are ill-prepared to meet this challenge . . . because effective mechanisms do not exist either to develop an overall national strategy or to assure satisfactory agency performance and coordination in its execution."

The Committee urged accelerated exploration and development of offshore oil and gas, expediting marine solar energy systems development, and new legislation to provide a reasonable investment climate for U.S. industry to move ahead with development and production of deep seabed minerals.

It also recommended amendment of the Merchant Marine Act to update and clarify both commercial and national security goals for the U.S. merchant marine and amendment of the Marine Mammals Protection Act to remove inconsistencies and ambiguities hampering efforts to regulate the killing of marine mammals.

It cited the Fishery Conservation and Management Act of 1976 extending U.S. jurisdiction over fisheries out to 200 miles off the coasts as a model for responsible U.S. action in the face of lack of progress in the Law of the Sea talks, and commended the executive branch for its rapid and skillful implementation of the Act.

In the atmospheric area, NACOA called for the establishment of an Office of Measurement Science reporting directly to the Administrator of the Environmental Protection Agency to upgrade both the quality and usefulness of air pollution monitoring data collected by a heterogeneous set of networks throughout the nation.

It also reported progress toward goals previously recommended by NACOA in the areas of aquaculture, weather modification research, climate program development, coastal zone management and the preservation of the technologically advanced ship, the Glomar Explorer, pending the further evolution of projects now in early stages that would benefit from access to its capabilities.

Single free copies of *A Report to the President and the Congress* by the National Advisory Committee on Oceans and Atmosphere are available from Dr. Douglas L. Brooks, 3300 Whitehaven St., Washington, D.C. 20235.

UNIT WILL COORDINATE COMMERCE CONTACTS WITH STATES, LOCALITIES

State and local governments now have a central point of contact in using the varied resources of the Commerce Department.

Commerce Secretary Juanita M. Kreps announced that the Office of State and Local Government Assistance will seek to coordinate Commerce's various programs with those of the states and localities.

She announced creation of the new office during a news conference in Rochester, New York. Secretary Kreps said the move was undertaken to help remedy what in the past has been a "fragmented, uncoordinated, disjointed" approach.

She said that Commerce's multiple resources can be more supportive of each other, noting that the Economic Development Administration "is clearly the focal point for the Department's economic development activities. But the activities of other Departmental agencies are also highly relevant to economic development."

"These include," she said, "the port planning resources of the Maritime Administration; the export promotion, trade zone and industrial analysis services of the Domestic and International Business Administration; the minority business development capabilities of the Office of Minority Business Enterprise; the development activities of the National Marine Fisheries Service and the Office of Coastal Zone Management; the economic analysis capabilities of the Bureau of Economic Analysis; and the information services of the Bureau of the Census and the National Technical Information Service.

"Brought together in a common attack," she continued, "they can exercise a leverage far greater than a piecemeal effort."

While cities and state governments will continue to deal with individual Commerce agencies on matters that pertain solely to those agencies, this new office will provide the Department with the mechanism for a coordinated and targeted approach.

For example, if a community were applying for an EDA grant, it would continue to work directly with EDA. However, if, for instance, a community also was interested in port development, it could ask the new office for information on the Maritime Administration, the Office of Minority Business Enterprise, the Domestic and International Business Administration, and the National Oceanic and Atmospheric Administration, where an integrated application of various Commerce port-related programs might be helpful.

The new office will consult with states and local governments, develop approaches to problems and initiate new activities, and coordinate significant programs in Washington and the field, the Commerce Secretary said.

The office will be headed by Anne Wexler, Deputy Under Secretary of Commerce.

Canada Discovers Public Campaign Key To Smooth Conversion To Metric

After much hand-wringing about the possible chaos involved, the switchover to metric road signs in Canada's Province of Alberta was pretty much of a ho-hum event.

The first of nine provinces to make the switch—which was due for completion in all nine by the end of October—Alberta had braced itself for a negative reaction from its motorists. Instead, the changeover has won almost unanimous approval, according to the American National Metric Council's *Metric Reporter*.

The conversion of road signs was done on a voluntary basis by the provinces, with costs absorbed by the municipalities and provinces.

Metric Commission Canada produced educational materials, including literature and radio and television spots, for distribution throughout the country.

Ron Browning, metric coordinator of the Alberta transportation department, attributes the success of the program to long-range planning on the part of transportation officials at the federal and provincial level, and to effective public awareness campaigns.

Conferences in eight locations throughout the province were held with Alberta newspaper and radio reporters a week before the changeover began, said Browning, and these greatly aided public understanding of the program.

One local Alberta television station had planned to produce a documentary on the changeover emphasizing problems. A television reporter told Browning that, after mainly positive comments were received in 60 man-on-the street interviews, the slant of the program was changed.

The Alberta transportation department recommends the purchase of inexpensive decal kits available in gas stations and other locations throughout the provinces.

Provincial police were probably fairly lenient in the beginning of September, said Browning, but after a week or so motorists were not given special leeway because of the conversion.

All the provinces but Newfoundland, as well as the Northwest Territories, are implemeting the conversion, and report it is going smoothly.

Can Blind Workers Run An Industrial Plant?

A $36,700 grant will help determine the feasibility of establishing a cellulose insulation manufacturing plant staffed by blind workers.

The Kansas Foundation for the Blind applied for the grant from Commerce's Economic Development Administration.

The funds will be used to analyze the possibility of manufacturing cellulose insulation to help meet consumer demand and to create higher-paying jobs for blind workers. The insulation would be made at the Kansas Workshop for the Blind.

Program officials state that industrial jobs for handicapped workers could both increase their incomes and relieve local communities of the burden of providing public assistance.

The study will review the costs and availability of raw materials, machinery and consumer markets for a cellulose insulation industry. It also will analyze the type and availability of programs to train blind workers for jobs in industrial plants.

The study is being conducted with the support of the Ozarks Regional Commission, the City of Wichita Energy Office, the National Industries for the Blind and the multi-county South Central Kansas Economic Development District.

Rules For Shipping Nuclear Material May Be Tightened

The Nuclear Regulatory Commission and the Department of Transportation are restudying the adequacy of existing requirements for the shipment of low-level radioactive material. The study follows a September 27 truck accident near Springfield, Colorado, in which a large quantity of uranium concentrate (yellow cake) was spilled onto a highway.

Key elements of the study will include: an analysis of current packaging requirements to seek ways to make containers more accident resistant; emergency planning; the types of trucks needed for various shipments; routing of shipments; and state and federal licensing requirements.

The Department of Transportation is responsible for regulating safety in the transportation of all hazardous materials, including radioactive materials. The NRC reviews and approves package designs for fissile materials.

The NRC already has under way a public rulemaking proceeding on the air transport of all radioactive materials. A draft environmental impact statement was issued in March 1976 and the final statement is expected late this year.

The NRC also is studying the transport of radioactive materials—under both normal and accident conditions—in densely populated areas.

KEY BUSINESS INDICATORS

QUARTERLY SERIES

Indicators	I Qr77	II Qr77	III Qr 77	Percent Change From Year Ago
GROSS NATIONAL PRODUCT (bil.$) annual rate	1,810.8	1,869.9	1911.3	10.7
REAL GNP (% change) annual rate	7.5	6.2	3.8	4.6
CORPORATE PROFITS [1] (bil.$) annual rate	125.4	140.2	—	8.5
OUTPUT PER HOUR, NONFARM BUSINESS SECTOR [3] (% change) annual rate	4.8	0.7	3.5	1.8
UNIT LABOR COST [3] (% change) annual rate	5.3	7.5	3.3	6.2
PERSONAL INCOME (bil.$) annual rate	1,476.8	1,517.2	1548.3	11.1
REAL DISPOSABLE PERSONAL INCOME (% change) annual rate	3.1	7.3	2.9	4.5

MONTHLY SERIES

Indicators	August	September	October	Percent Change From Year Ago
RETAIL SALES (bil.$)	59.0	59.0	60.0	9.8
CONSUMER PRICE INDEX [3] (% change)	0.3	0.3	—	6.6
WHOLESALE PRICE INDEX [3] (% change)				
Finished goods	0.1	0.4	0.8	6.8
Consumer	—0.1	0.3	0.5	6.7
Producer	0.4	0.5	1.5	7.2
Farm products, processed foods and feeds	—2.1	—0.4	1.3	2.6
Industrial commodities	0.5	0.8	0.6	6.9
Crude materials	1.9	0.3	—0.2	8.0
NEW FACTORY ORDERS (bil.$)	111.5	112.0	—	13.7
Durable goods (bil.$)	58.3	58.8	—	17.4
FACTORY SHIPMENTS (bil.$)	111.4	111.6	—	13.4
BUSINESS INVENTORIES (bil.$)	319.8	—	—	9.0
INDUSTRIAL PRODUCTION [2] (1967 = 100)	138.2	138.8	—	6.3
HOUSING STARTS annual rate (mil. units)	2.03	2.04	—	15.4
CIVILIAN LABOR FORCE [3]				
Total (thousands)	97,697	97,868	98,102	2.9
Employed	90,771	91,095	91,230	4.0
Unemployed	6,926	6,773	6,872	—9.1
Unemployment rate (%)	7.1	6.9	7.0	*
EXPORTS (mil.$)	9,563	10,916	—	11.4
IMPORTS				
F.A.S. transaction value	12,232	12,631	—	18.6
C.I.F. value	13,051	13,484	—	17.8

ALL DATA SEASONALLY ADJUSTED.
Original data from the Bureau of Economic Analysis and the Bureau of the Census except as noted.
[1] **Including inventory valuation and capital consumption adjustments.**
[2] **Federal Reserve Board.**
[3] **Bureau of Labor Statistics.**
* **Unemployment rate in October 1976 was 7.9 percent.**

As of Nov. 15, 1977

General-Purpose Trade Zone, Special-Purpose VW Zone Authorized For Pittsburgh

The Department of Commerce has authorized the establishment of a general-purpose foreign-trade zone near the Greater Pittsburgh International Airport, as well as a special-purpose subzone in Westmoreland County, Pennsylvania.

The general-purpose zone consists of six acres within a 340-acre industrial park planned by the Regional Industrial Development Corporation of Southwestern Pennsylvania (RIDC), a Pennsylvania non-profit development corporation. The subzone covers 147 acres within the new automobile assembly and manufacturing facility of the Volkswagen Manufacturing Corporation of America.

Both facilities are in the Pittsburgh Customs port-of-entry area.

RIDC will operate the general-purpose zone and, at the request of Pennsylvania state officials, is serving as sponsor of the subzone.

Foreign-trade zone procedures at the VW plant will enable the firm to pay customs duties on finished autos leaving its assembly line for the U.S. market instead of on the foreign parts and materials it receives at the facility. Exports will be shipped duty-free. Full-scale operations at the VW facility are scheduled to get under way in early 1978, with some 5,000 persons to be directly employed.

Foreign-trade zones and special-purpose subzones are areas under U.S. Customs supervision into which foreign merchandise may be brought without the usual immediate formal Customs entry. The goods may be exhibited, stored, assembled, or used in manufacture within the zone, and duties need not be paid unless and until the goods or their end products enter U.S. Customs territory from the zone. Re-exports emerge duty-free.

Domestic goods moved into a zone for export are considered exported upon entering the zone for purposes of excise tax rebates and Customs drawback procedures.

Foreign-trade zone grants are issued under the Foreign-Trade Zones Act of 1934 which empowers the Board—consisting of the Secretary of Commerce and the Secretaries of the Treasury and Army—to authorize qualified public and private corporations to establish zones in or near U.S. Customs ports of entry.

Pittsburgh becomes the 29th port community in the United States with foreign-trade zone services. Others are New York City, New Orleans, San Francisco, Seattle, Mayaguez (Puerto Rico), Toledo, Honolulu, Bay City (Mich.), McAllen (Texas), Little Rock, Kansas City (Mo.), and Kansas City (Kan.), Sault Ste. Marie (Mich.), San Jose (Calif.), Omaha, Portsmouth (Va.), Charleston (S.C.), Chicago, Buffalo, Wilkes-Barre/Scranton, Port Ev-

ROCHESTER SESSION—*Secretary of Commerce Juanita Kreps fields questions from the floor during briefing session with members of Rochester, New York's, minority business community. Meeting took place during Nov. 10 visit to the city, launching a series of such events designed to "Bring Washington to the people." At right is Randolph T. Blackwell, Director of Commerce's Office of Minority Business Enterprise.*

erglades (Fla.), Atlanta, Boston, New Bedford (Mass.), Louisville, Salt Lake City, St. Louis (Granite City, Ill.), and Miami.

San Francisco and Honolulu also have special-purpose subzones connected to their zones.

Census Revises Three Major Business Reports

Commerce's Bureau of the Census has revised the content of three regular reports dealing with U.S. business: monthly retail sales, wholesale trade and selected service industries.

The revisions are the result of the first major change in the Census Bureau's current business sample surveys in several years. They reflect:

- A new sample of business firms;
- Linking to dollar volume levels from the 1967 and 1972 economic censuses;
- Redefining sales and receipts to exclude sales taxes and finance charges;
- Updating business classifications to the 1972 Standard Industrial Classification (SIC) code rather than the 1967 code, and
- Revising and updating seasonal adjustment factors.

The sales in the retail and wholesale special reports will replace the monthly estimates previously published for January 1967 through August 1977, while the data in the service report will replace the monthly series from January 1972 through August 1977. Monthly reports for September will be prepared under the new system and will be issued soon after the special reports. The advance retail sales report for October—compiled on the new basis—was released a few days after the special retail report.

The new sample design shows a number of improvements. For example, the redefinition of sales and receipts to exclude sales taxes and finance charges has resulted in more uniform reporting; increased sampling efficiency has reduced the number of reporting firms, and a change in the sampling "unit" has provided more accurate representation of large companies.

The Bureau plans to update the sample more often. Large companies with substantial growth will be identified annually and included in the sample.

The current business reports or the special reports with data from previous years are available from the Subscriber Services Section (Publications), U.S. Bureau of the Census, Washington, D.C. 20233 (301-763-7472).

Map Pinpoints Possible Geothermal Power Sites In Western States

A new kind of treasure map—detailing one of the major energy treasures of the American West—can lead firms to assured power sources.

Published by Commerce's National Oceanic and Atmospheric Administration, this first detailed map of geothermal energy sources in the western United States —excluding Alaska and Hawaii—pinpoints the potential importance of heat from the earth's interior in meeting the nation's future energy needs.

The map, produced by NOAA's National Geophysical and Solar-Terrestrial Data Center in Boulder, Colo., shows geothermal areas now producing, or with known potential to produce, electrical power from steam-driven turbines.

Also shown are areas where hot water from the earth is being used for such purposes as heating buildings, agriculture, and various manufacturing activities, or where there is known potential for such uses.

There are more than 100 locales in the western United States—from the Rocky Mountains to the Pacific—classified as "Known Geothermal Resource Areas," several of which already supply usable energy.

Some experts believe that by the year 2,000, geothermal energy could account for several percent of the nation's total power needs, if properly developed.

In addition to the known and potential geothermal areas, the 46 by 35 inch map also shows other types of geological and geophysical data closely associated with geothermal resources, such as heat flow, earthquake epicenters, major faults, and volcanoes and volcanic cones.

The Data Center is part of the National Oceanic and Atmospheric Administration's Environmental Data Service, which produced the map in cooperation with the Energy Research and Development Administration—now part of the Department of Energy—and the U.S. Geological Survey. Copies are available, folded or rolled in a mailing tube, for $2.50 from NOAA/National Ocean Survey, Distribution Division C44, Riverdale, Md. 20840.

ALL EXCEPT FARMERS SHARED IN 1973-77 U.S. PERSONAL INCOME GAINS

The American farmer has been the forgotten man of recent income gains across the country.

Personal income increased in 48 states from the fourth quarter of 1973—the most recent national business cycle peak—to the second quarter of 1977—but you might have a hard time convincing many farmers.

Commerce's Bureau of Economic Analysis reports that Alaska (up 88½ percent) and Wyoming (up 54¾ percent) had the largest rates of increase, while the farm states of South Dakota (down 7 percent) and North Dakota (down 3 percent) registered the only declines.

Total personal income consists of private and government wage and salary payments in cash and in kind, other labor income, farm and nonfarm proprietors' income, interest, net rents, dividends, and transfer payments, less personal contributions for social insurance. It is measured before the deduction of personal income and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

Personal income nationally increased 37 percent during the period. But real in-

TOTAL PERSONAL INCOME AND SELECTED COMPONENTS

(Percent Change, 1973-77)

				Wage and Salary Disbursements					*Index, U.S. Percent Change=100*	
	Total Personal Income	*Farm Income*	*Non-Farm Income*	*Manufacturing*	*Construction*	*Mining*	*Private Service Industry*	*State & Local Govt.*	*Total Personal Income*	*Non-Farm Income*
United States	**37.0**	**—31.8**	**40.0**	**29.5**	**15.3**	**86.4**	**40.3**	**38.8**	**100**	**100**
Fast-Growing										
1 Alaska	88.5	105.8	88.5	64.5	498.9	258.7	162.6	58.5	239	221
2 Wyoming	54.8	—47.8	66.4	45.0	39.8	173.8	68.5	38.8	148	166
3 Nevada	50.0	—24.5	51.7	47.6	1.5	39.5	60.1	42.3	135	129
4 Kentucky	49.1	57.9	48.7	38.7	32.1	124.8	47.1	46.0	133	122
5 Louisiana	48.0	—22.5	51.3	50.8	74.0	81.8	48.6	44.0	130	128
6 New Mexico	47.4	—6.0	50.7	35.0	50.5	114.3	49.5	52.9	128	127
7 Washington	46.1	—30.5	50.3	43.1	64.0	28.0	56.2	38.2	125	126
8 West Virginia	45.9	—79.5	46.8	33.9	23.6	94.8	42.1	34.4	124	117
9 Utah	45.6	—50.6	49.5	50.7	48.3	83.2	52.3	45.0	123	124
10 Texas	45.2	—47.5	51.9	47.1	68.0	102.0	54.5	48.9	122	130
11 Idaho	45.2	—13.5	57.6	61.5	50.4	57.0	58.8	57.4	122	144
12 Oklahoma	43.9	—64.8	51.4	46.7	30.9	132.9	50.5	41.0	119	129
13 Oregon	43.9	—7.5	46.3	36.7	19.9	19.4	48.8	47.2	119	116
Near-Average-Growing										
14 California	42.5	—6.8	44.3	28.7	27.3	70.5	46.9	45.2	115	111
15 Alabama	42.2	—21.7	45.3	37.0	41.5	155.6	47.3	44.8	114	113
16 Arkansas	41.8	—.3	48.2	39.0	42.3	67.3	51.4	53.8	113	121
17 New Hampshire	41.0	—23.3	41.5	34.1	13.9	69.5	48.6	33.3	111	104
18 Tennessee	39.9	—.3	41.1	29.8	18.1	73.4	41.7	37.9	108	103
19 South Carolina	39.2	—13.7	41.2	38.7	7.3	24.4	44.2	45.6	106	103
20 Maine	39.0	—19.5	42.1	33.1	52.4	54.9	41.1	22.7	105	105
21 Wisconsin	38.7	—32.6	42.7	33.6	36.1	29.2	46.5	35.7	105	107
22 Virginia	38.6	—42.0	40.4	33.7	11.4	104.9	42.2	44.7	104	101
23 Colorado	38.1	—46.0	42.5	30.7	—3.7	137.1	47.5	51.1	103	106
24 Vermont	38.0	6.8	39.5	34.8	10.3	23.6	39.7	27.5	103	99
25 Michigan	37.7	—39.6	38.7	30.0	14.5	60.7	35.5	35.0	102	97
26 Hawaii	37.5	—4.1	38.7	28.7	—1.6	....	47.4	44.0	101	97
27 Illinois	37.1	—8.9	38.8	32.3	18.5	44.5	36.6	43.0	100	97
28 Maryland	36.6	—25.0	37.3	30.3	13.3	59.7	40.7	40.6	99	93
29 Rhode Island	36.5	55.9	36.5	26.7	2.2	25.8	33.9	45.5	99	91
30 Georgia	36.4	—6.3	38.0	28.3	4.6	41.7	36.1	40.2	98	95
31 Arizona	36.1	27.9	36.4	31.4	—20.8	45.8	40.4	44.3	98	91
32 Pennsylvania	36.0	—34.4	37.1	23.8	9.5	80.3	36.5	36.2	97	93
— D.C.	35.8	....	35.8	17.5	15.4	73.0	33.7	46.3	97	90
33 Ohio	35.6	49.4	35.4	26.9	11.6	62.3	37.1	27.8	96	89
34 North Carolina	35.6	—10.1	38.9	33.7	10.7	47.0	36.1	35.1	96	97
35 New Jersey	34.6	—16.7	34.8	21.6	—9.3	—.3	38.0	40.6	94	87
36 Florida	34.5	36.6	34.4	24.7	—30.3	17.5	35.3	49.0	93	86
37 Mississippi	34.4	—36.8	43.9	39.3	30.6	80.9	48.2	32.1	93	110
Slow-Growing										
38 Indiana	33.9	—6.7	36.5	27.1	15.5	63.3	38.6	34.1	92	91
39 Missouri	33.6	—50.1	38.5	31.7	24.8	37.7	37.9	33.0	91	96
40 Massachusetts	32.6	—8.6	32.7	26.1	—23.9	—5.5	31.9	28.0	88	82
41 Connecticut	31.8	—12.8	32.0	22.6	—19.3	32.8	33.4	22.5	86	80
42 New York	30.3	—19.4	30.6	15.2	—27.0	8.9	26.3	27.0	82	77
43 Iowa	29.2	—36.5	44.4	38.0	37.4	3.3	48.7	46.8	79	111
44 Minnesota	27.7	—71.3	42.4	36.4	22.5	54.3	43.4	39.0	75	106
45 Delaware	27.6	—36.1	30.0	7.5	12.1	—8.0	30.7	31.7	75	75
46 Kansas	26.3	—61.3	44.4	37.6	53.7	93.2	49.5	44.3	71	111
47 Montana	23.0	—72.7	49.9	45.9	46.8	70.1	57.8	47.5	62	125
48 Nebraska	18.8	—62.9	43.0	32.9	27.0	16.4	47.6	49.5	51	108
49 North Dakota	—3.1	—86.6	53.7	71.7	89.8	190.8	61.2	37.6	....	134
50 South Dakota	—7.1	—87.8	39.0	22.2	29.5	60.8	45.2	27.6	....	98

come increased only about 8½ percent, as prices went up more than 28 percent.

In 42 states and the District of Columbia, the gain in current-dollar income exceeded the national increase in consumer prices by at least 2 percentage points. In Iowa, Minnesota, Delaware, and Kansas the rise in total income approximated the increase in prices, and in Montana and Nebraska the income gain was well under the national advance in prices.

In those states (except Delaware) where the increase in personal income about equaled or was below the increase in prices, and in North Dakota and South Dakota, where personal income declined, the weakness in income is directly traceable to sharp declines in farm income.

Since the fourth quarter of 1973, income growth has reflected the continuing shift of economic activity and population from the Northeast-Great Lakes manufacturing belt to the South and West.

The 13 states in which income increased most rapidly were in the West and South: Alaska (88½ percent), Wyoming (54¾ percent), Nevada (50 percent), Kentucky (49 percent), Louisiana (48 percent), New Mexico (47½ percent), Washington and West Virginia (46 percent), Utah (45½ percent), Texas and Idaho (45¼ percent), and Oklahoma and Oregon (44 percent). The average income gain in these states exceeded the national average by more than 13 percentage points.

Most of these states had large gains in manufacturing, construction, mining, private service-type industries, and state and local government. Wages and salaries in manufacturing and construction increased rapidly in each of these states except Nevada, where construction payrolls were virtually unchanged.

Reflecting increased coal production and exploration for petroleum and natural gas, wages and salaries in mining, the fastest-growing major income component nationally, increased rapidly in nine states. Wages in private service-type industries and in state and local government were strong in all fast-growing states.

The 13 slowest-growing states had income changes that averaged 14 percentage points below the national average. Seven were major farm states in the Plains and adjacent regions. These seven states (and the percent change in income) were: South Dakota (down 7 percent, North Dakota (down 3 percent), Nebraska (up 18¾ percent), Montana (up 23 percent), Kansas (up 26¼ percent), Minnesota (up 27¾ percent), and Iowa (up 29¼ percent). Income changes in these states averaged more than 20 percentage points below the national increase.

Farm income—which declined 32 percent nationally—declined nearly 70 percent in these seven states, reflecting increased production expenses and a decrease in wheat and livestock prices. The reduction in farm income adversely affected personal consumption and business expenditures in recent quarters; however, strong growth in manufacturing and, to a lesser extent, mining, offset this effect and led to gains in construction and private service-type industries.

The gains in manufacturing payrolls were larger than the U.S. advance of 29½ percent in each of these states except South Dakota. Mining gains were especially noteworthy in North Dakota and Montana. As a result, non-farm income in each increased at near or well above the national average.

The other six slow-growing states were in the Northeast-Great Lakes manufacturing belt: Delaware (27¾ percent), New York (30¼ percent), Connecticut (31¾ percent), Massachusetts (32½ percent), Missouri (33½ percent), and Indiana (34 percent). Income gains in these states averaged more than five percentage points below the U.S. average.

Declines of 19 percent or more in construction occurred in Connecticut, Massachusetts, and New York, in part reflecting the slow growth or decline in population. Of these states, only Missouri had a gain in construction that exceeded the national average.

Detailed quarterly data on personal income in each state are available from the Regional Economic Measurement Division, BEA, U.S. Department of Commerce, Washington, D.C. 20230.

Most States Report Drops In Unemployment

August unemployment rates were below the levels of the same month of 1976 in all but three of 47 reporting states. For 36 of the states, this was the eighth straight month in which unemployment was lower than the same month of 1976.

The Labor Department reports that August was the first month this year in which no state reported an unemployment rate of more than 10 percent. In contrast, rates of below 4.5 percent were reported for the fifth consecutive month in Iowa, Kansas, Nebraska, North and South Dakota, and Wyoming.

The national unemployment rate for August was 6.8 percent.

Improvement in the unemployment situation was also reported in 175 of the 198 large metropolitan areas for which data are available for both August 1976 and 1977. The 23 metropolitan areas with higher unemployment rates included four each in Louisiana, Texas and Illinois.

These estimates are the product of a federal-state cooperative program in which state employment security agencies prepare labor force and unemployment estimates under concepts, definitions, and technical procedure established by the Bureau of Labor Statistics.

Labor force and unemployment estimates for counties, cities, and other small areas have been prepared for administration of various federal economic assistance programs and may be ordered from Commerce's National Technical Information Service. When ordering, please specify: *CETA Area Employment and Unemployment, January-June 1977* (NTISUB/C/143-77/008); *State and County Employment and Unemployment January-June 1977* (NTISUB/C/144-77/008); or *Unemployment Rates for States and Local Governments, First Quarter, 1977* (PB267950).

A complete list of publications and price schedules is available from NTIS, U.S. Department of Commerce, 5285 Port Royal Road, Springfield, Virginia 22161.

'Fill It Up With Gasohol' May Become The Order As New Fuel Source Evolves

A Ferrari racing car, a John Deere tractor, a 1928 Model "A" Ford and a Chevrolet pickup truck all shared something in common recently at a Washington rally and parade: they all ran on gasohol—a mixture of 10 percent alcohol and 90 percent gasoline.

The parade was staged by the Southwest Alabama Farmers Cooperative (SWAFCO) of Selma, Ala., to call attention to the prospects for developing a new domestic source of energy and for stimulating the agricultural economy. An $86,352 grant from Commerce's Office of Minority Business Enterprise (OMBE) to SWAFCO is enabling the co-op to determine the economic advantages which might accrue to minority enterprise from the production, use and sale of alcohol fuel and its by-products.

The project is seen as a dual economic effort—in addition to providing a much needed energy resource, it will make use of farm land presently fallow.

According to OMBE Director Dr. Randolph T. Blackwell, "We hardly expected such dramatic results in such a short time. At a time when many black farmers are being forced to leave their land because of high fuel costs, OMBE felt that a project of this nature would show that other fuel possibilities are real and can be produced in our rural communities."

OMBE has also funded a gasohol demonstration project in a Mexican-American community in Colorado, which is not as far along as SWAFCO.

Work performed under the grants has included:

- The design and construction of distilleries, including adaptations such as solar power units, waste fuel-pelletizers and distillers' grain units which would contribute to reducing cost or increasing benefit;
- Adaptation of local farm and highway vehicles and engines for the use of alcohol/gasoline blends or pure alcohol;
- Analyses to determine costs of production, potential market, and the new fuel's possible effects on minority economic development, the environment and the national economy; and
- Testing the feasibility of alcohol fuels using state-owned vehicles, in cooperation with the states of Alabama and Colorado, and with the private sector.

Agricultural ethyl alcohol is produced by the action of enzymes and yeast on sugars or starch contained in grain, molasses, potatoes or other agricultural products. The ethyl alcohol is separated from the residual material through distillation columns. Even spoiled crops which are presently useless can be used to produce alcohol. In addition, the by-product of grain alcohol is a very nutritious animal feed.

FILL IT UP—*Albert Turner (center), executive director of Southwest Alabama Farmers Cooperative, and Sen. Birch Bayh (right foreground) of Indiana symbolically fill a tractor converted to run on gasohol. The fuel was developed by the co-op from corn and other vegetables, with the aid of a grant from Commerce's OMBE.*

Alcohol fuels derived from the produce of the country's farms and forests and by reclamation of wastes are one of the most exploitable renewable energy sources available. Ethanol and methanol (from forestry products or by-products) have been used successfully in internal combustion engines for decades. Studies indicate that alcohol blend fuels have higher octane ratings and produce less effluents than gasoline alone.

The SWAFCO-led caravan of advocates from some 30 states which visited Washington was greeted by officials of the Departments of Commerce and Agriculture, and met on Capitol Hill with Sen. Birch Bayh of Indiana, sponsor of the Alcohol Fuel Incentive Act of 1978, and Rep. Parren Mitchell of Maryland, chairman of the Congressional Black Caucus Subcommittee on Minority Business Enterprise.

Justice Asks To Intervene In Support Of Affirmative Action Plan's Numerical Goals

The Justice Department has asked to participate as a friend of the court in a case challenging the Massachusetts Bay Transportation Authority's affirmative action plan establishing a goal for use of minority subcontractors.

Justice wishes to support the plan.

The suit challenges the Authority's requirement that bidders on a federally-assisted mass transit construction project seek to use minority subcontractors for 30 percent of the price of the contract.

The Justice Department motion said that the issue before the court is whether a state affirmative action plan such as this, which establishes minority business subcontracting goals, violates the Fourteenth Amendment of the Constitution or Title VI of the Civil Rights Act of 1964, which prohibits discrimination in federally funded programs.

The motion said that the government supports properly-designed affirmative action in aid of minorities, and the government's race-conscious programs could be affected by the outcome of the Massachusetts case.

The motion further said that numerical goals can be an effective approach to remedy the effects of past discrimination when there is evidence of the need for affirmative action, if the percentages are reasonable and justified by the facts, and there are sufficient safeguards to prevent abuse.

The Justice Department is already participating in four suits filed by contractors challenging the constitutionality of the Public Works Employment Act of 1976, which contains a 10 percent minority provision.

Task Force Readies Plans For Winter Energy Shortages

As the winter's first blizzards descend on the nation, a federal task force is already in place to help cope with possible energy shortages.

The unit is developing plans to help the nation deal with potential emergencies caused by a very cold winter that could cause shortages of natural gas and disruptions in the transportation of coal and oil. The group will determine the areas of the country in which energy shortages are most likely to occur and will establish ways to deal with them.

The task force also will prepare legislation if necessary to grant the President the authority he may need to carry out emergency energy actions.

"The nation managed to pull through last winter's crisis because of swift action by the states, cooperation between Congress and the Administration, willingness of the public to conserve energy and help one another, and warmer weather which followed a brutally cold January and February," said an Energy Department spokesman. "We may not be so lucky the next time."

The task force also includes representatives of the Departments of Commerce, Transportation and the Interior, Federal Power Commission and the Environmental Protection Agency.

Going Metric Painlessly Aided By Book, Consumer Kit

Making metrication easy is the objective of two offerings from the American National Metric Council.

Metrication for the Manager is a 48-page publication emphasizing sound management during the transition to metric as the key to limiting cost and confusion. The book examines the effects of conversion on each function of a business organization: engineering, manufacturing, purchasing, marketing, data processing, and cost management. A special section lets managers who are already involved in the changeover give their opinions on important factors which can contribute to a sucessful conversion program. The book is priced at $3.50 to ANMC subscribers $4 to others.

A metric consumer information kit is also available from the council to ease the way to metric. The kit consists of a handy wallet-sized conversion card and two booklets. *The Metric System Day-to-Day* provides an introduction to the metric system and explains why the United States is converting. The kit costs $1.

Both *Metrication for the Manager* and the metric consumer kit can be ordered from: American National Metric Council, 1625 Massachusets Ave., Washington, D.C. 20036.

Calendar Of Business Events

Nov. 28-29—Los Angeles—Aerospace Market Forecast Conference, Hyatt-L.A. Contact: AIAA Conference, D/MF, P.O. Box 91295, Los Angeles, Calif. 90009 (213-670-2973).

Nov. 28-30—New York—Development Seminar for Woman Mgr. in Changing Environment, American Management Associations Headquarters. Contact: AMA, 135 W. 50th St., New York 10020 (212-586-8100).

Nov. 28-Dec. 1—Syracuse, N.Y.—Managing People, Time & Money/Tax Planning/Design, Build, Lease seminars for the construction industry, Holiday Inn-West. Contact: Walter Johnson, Group Comm. 6101 SW. Freeway, Suite 401, Houston, Tex. 77057 (713-664-8818).

Nov. 28-Dec. 2—Houston—Marine Retailing Mgt. Seminar, Host Int'l. Hotel. Contact: Kathyrn Delaune, Industrial Economics Research Div., Texas A&M University, College Station, Tex. 77843 (713-845-5711).

Nov. 28-Dec. 9—Chicago—LNG-Base Load Liquefaction, Transportation & Terminal Operations, Institute of Gas Technology. Contact: Industrial Ed. Dept., IGT, 3424 S. State St., Chicago, Ill. 60616 (312-567-3881).

Nov. 29-Dec. 1—Ann Arbor, Mich.—Separate seminars on Cost Effective Purchasing Mgt., and Long-Range Planning, U. of Mich. Contact: Div. of Mgt. Education, Graduate School of Business Admin., U. of Michigan, 1735 Washtenaw Ave., Ann Arbor, Mich. 48109 (313-763-1000).

Nov. 29-Dec. 1—New York—Understanding Finance for Manufacturing & Production Mgt., Barbizon Plaza Hotel. Sponsor: N.Y.U. Contact: Heidi Kaplan, N.Y. Mgt. Center, 360 Lexington Ave., New York 10017 (212-953-7262).

Nov. 29-Dec. 2—Chicago—Cost Accounting Standards, Sheraton O'Hare Hotel. Contact: American Graduate U./Procurement Assoc., 733 N. Dodsworth Ave., Covina, Calif. 91724 (213-331-5484).

Nov. 29-Dec. 2—Washington—Management Training for Women, Georgetown U. Contact: Elizabeth R. Beall, Assoc. Dean, School for Summer & Continuing Education, Georgetown U., Washington, D.C. 20057 (202-625-3001).

Nov. 30—Trenton, N.J.—Crimes Against Business Seminar, Trenton State College. Contact: Commerce Newark District Office.

Nov. 30—New York—The Role of Technology, Key Issues Lecture, N.Y.U. Contact: 212-598-2234.

Nov. 30-Dec. 2—Philadelphia—Increasing Purchasing's Effectiveness, Drexel U. Contact: Office of Continuing Professional Education, Drexel University, 32nd & Chestnut Sts., Philadelphia, Pa. 19104 (215-895-2154).

Nov. 30-Dec. 2—Honolulu—2nd Annual Conference on Financing World Energy Requirements, Ilikai Hotel. Sponsor: Council for Energy Studies. Contact: Energy Conference Secretary, Room 413, 1231-25th St. NW., Washington, D.C. 20037 (202-452-4420).

Dec. 1-2—Alexandria, Va.—Types of Contracts, Holiday Inn Old Town. Contact: American Graduate U./Procurement Assoc., 733 N. Dodsworth Ave., Covina, Calif., 91724 (213-331-5484).

Dec. 2—Odessa, Tex.—Federal Procurement Conference, Inn of the Golden West. Sponsor: Rep. Richard C. White. Contact: William Reid, c/o Odessa Chamber of Commerce, 412 N. Lincoln, Odessa, Tex. 79761 (915-332-9103).

Dec. 5-6—Orlando, Fla.—Metric Trainers Seminar, Dutch Inn Hotel. Contact: George Buchanan, American National Metric Council, 1625 Mass. Ave. NW., Washington, D.C. 20036 (202-232-4545).

Dec. 5-7—Gaithersburg, Md.—1977 Winter Simulation Conference, National Bureau of Standards. Contact: Claude Delfosse, CACI, Inc., 1815 N. Fort Myer Dr., Arlington, Va. 22209 (703-841-7800).

Dec. 5-7—New York—Development Seminar for Woman Manager in Changing Environment, AMA. Contact: AMA, see address above.

Dec. 5-8—Chicago—36th Exposition of Chemical Industries, McCormick Place. Contact: Clay Stevens, International Exposition Co., 200 Park Ave., New York 10017 (212-986-4232).

Dec. 6—Elizabethtown, Ky.—Metric Awareness Seminar, Elizabethtown Community College. Contact: Commerce Memphis District Office.

Dec. 6-8—Houston—Energy Conversion Plants Project Planning, Whitehall Hotel. Sponsors: Institute of Gas Technology & American Gas Assn. Contact: Kathy Fisher, IGT, see address above.

Dec. 6-8—Chicago—Lasers in Modern Industry Seminar, Arlington Park Hilton Hotel. Contact: Michael Tolzdorf, Society of Mfg. Engineers, P.O. Box 930, Dearborn, Mich. 48128 (313-271-1500 ext. 311).

International Commerce Report

Rapid U.S. Import Expansion Far Outpaces Export Rise

DEMAND FOR PETROLEUM, OTHER FOREIGN PRODUCTS REMAINED STRONG THROUGHOUT JANUARY-SEPTEMBER

U.S. imports continued to expand much more rapidly than exports through September, which resulted in a large increase in the nation's merchandise trade deficit. The deficit jumped from $5.9 billion last year, the second highest on record, to $25.7 billion in the first nine months at an annual rate. Although petroleum imports played a major role in the growth of U.S. purchases from abroad, most other types of foreign goods also expanded briskly as continued economic growth in this country boosted demand. Exports remained sluggish, mainly as a result of the limited economic expansion in certain key markets abroad and belt-tightening measures in others, especially among the developing nations.

Exports in the first nine months were at an annual rate of $120.8 billion, only 5 percent higher than the 1976 total, while imports climbed to a yearly rate of $146.5 billion ($156.4 billion c.i.f.), 21 percent above last year's level.

On a quarterly basis, exports moved erratically, while imports progressively slowed down. After declining slightly in the first three months, U.S. sales abroad increased by 3 percent in the second quarter, then recorded only a fractional rise in July-September. Imports jumped 10 percent in the first quarter, continued to advance in April-June at half that rate of growth, and edged up only marginally in the third quarter.

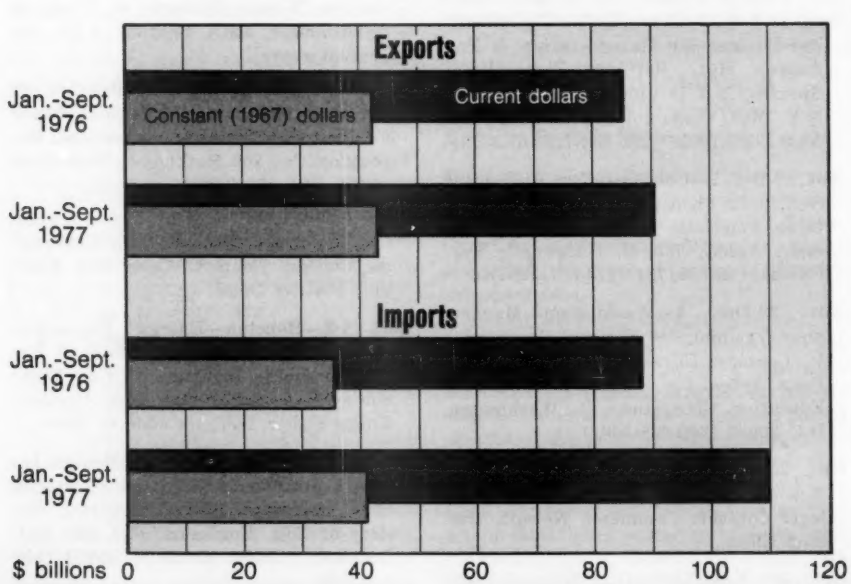
The relatively small increase in exports this year occurred despite the fact that economic recovery from the worst post-World War II recession has been under way in major U.S. markets abroad for roughly two years. The lackluster performance of sales to some of these markets appears largely related to the rather uneven and hesitant rebound in foreign business activity. Particularly, the lack of a sustained upturn in investment expenditures in the industrial countries has depressed the important capital goods component of U.S. exports.

In addition, sales to the developing countries have grown relatively modestly. Shipments to the OPEC countries, though 16 percent higher than in the first nine months of 1976, were held down by import absorption problems, and in a couple of member countries, by financial constraints. Deliveries to the non-oil LDCs were dampened by various restrictive measures in key U.S. markets. The sluggishness of U.S. exports is even more evident when the total is adjusted for price changes. In real terms, exports through September showed only a fractional gain over the 1976 level.

The continued strong rise in U.S. imports can be attributed in large part to the pickup in U.S. economic growth in the first half of 1977, following the slowdown in the preceding six months, which buoyed demand for a wide variety of foreign products. Moreover, the value of imports was boosted earlier in the year by unexpectedly large purchases of petroleum from abroad during the cold winter and by soaring coffee prices. Imports rose by 13 percent in volume terms, considerably slower than last year's rise, but nevertheless substantial by historical standards.

Increases in U.S. foreign trade prices have been relatively moderate so far this year, reflecting diminished world inflationary pressures since the 1974-75 recession and the weak recovery which followed. Export prices, as measured by the unit value index, rose by about 4.5 percent in January-September, slightly faster than the rate of increase that was recorded last year. The acceleration was largely due to the fact that the average price of agricultural exports expanded after two successive annual declines. Substantially higher prices for soybeans, soybean products, and cotton more than offset depressed grain prices. Export prices for manufactured goods decelerated, continuing a trend under way since 1974.

Exports grow sluggishly, imports vigorously



Import Increases Widespread In January-September

	Change from Jan.-Sept. '76 $ Million	Percent
Total imports	+21,555	+24
Petroleum and products	+ 8,669	+37
Other industrial supplies, total	+ 4,303	+20
Steel	+ 1,090	+35
Consumer goods, total	+ 4,489	+19
New cars, engines, parts	+ 1,156	+11
Consumer electronics	+ 954	+42
Gem diamonds	+ 315	+41
Capital goods, total	+ 2,066	+22
Machinery	+ 1,725	+22
Foods and beverages, total	+ 2,337	+27
Coffee	+ 1,397	+75

Note: Values are seasonally adjusted except those where no seasonal movement can be measured.

Import prices increased by 7.7 percent, more than double the 1976 rate, though slower than in any of the three preceding years. The pickup over 1976 reflected a surge in coffee and other food prices, further increases in oil prices, and a slightly accelerated advance in the unit value index for manufactured imports.

Petroleum leads import growth

Imports of petroleum and products, which accounted for two-fifths of the net import advance in January-September, increased by 37 percent over the same period last year to a value of $31.9 billion. The volume of these receipts rose by 25 percent, to 8.8 million barrels per day, as U.S. consumption expanded substantially, particularly for home heating and industrial uses, and stocks were built up by an estimated 170 million barrels. A 9.4 percent rise in average price, to $13.26 per barrel, contributed further to the large jump in value. Petroleum imports, following a sharp rise in January-March, were virtually level in value in the next two quarters in part because of the expansion in domestic output. Domestic crude oil production of 8.1 million barrels per day, although on a rising trend following the opening of the Alaska pipeline in June, just equaled last year's level through September.

An additional $1.9 billion of crude oil, not included in the Census Bureau statistics used in this report, was imported into the Virgin Islands to be refined mostly for U.S. consumption. Such imports were 21 percent above the same period of last year and added 0.6 million barrels per day to U.S. imports.

Natural gas arrivals from abroad were one-fifth higher in value than last year, mainly because of continuing price increases for Canadian supplies. Receipts of other industrial supplies were also quite buoyant, rising 20 percent from January-September 1976. The increase was largely the result of expanded industrial production and residential construction. Lumber imports rose by nearly 50 percent in value because of higher prices and strong demand from the housing sector. Chemical purchases also advanced rapidly, with sizable increases especially in elements and compounds.

By far the largest increase among industrial supplies, however, was the $1.2 billion expansion in arrivals of steel mill products, which further increased foreign penetration into the U.S. steel market. Because the U.S. steel industry has formally charged that this development is partly the result of discriminatory pricing by foreign producers, the Treasury Department has initiated investigations to determine if sales at less than fair market value are occurring and if dumping duties should be imposed. Over 50 percent of the growth resulted from imports from the European Community and about 20 percent from Japanese supplies.

Receipts of aluminum and its base materials — alumina and bauxite — were most buoyant among nonferrous metals, while imports of copper and copper ore, which are currently in overabundant worldwide supply, declined.

Consumer goods imports were about 20 percent higher than last year, a much smaller growth than the 35 percent advance from 1975 to 1976. Receipts of consumer electronic products rose 40 percent in value, despite a much slower increase this year in imports of radios and television sets. TVs from abroad, which have risen by 23 percent in number this year, had increased by 82 percent in 1976, while transistor radio imports dropped from a 34 percent to a 10 percent rise in 1977 in quantity. The decline in TV imports was partly attributable to voluntary restrictions negotiated with the Japanese Government which became effective July 1. Arrivals of citizen band radios declined from last year's high levels as a result of weaker demand and large inventories.

The 45 percent increase in domestic sales of foreign cars reflected both larger imports and a sharp drawdown of stocks. The value of these imports was further boosted by higher prices and the appreciation of the yen and the deutschemark. Receipts of cars and parts from Canada were also up considerably in response to the sustained uptrend in U.S. demand for domestic models. Imports of motorcycles rose in each quarter to a total one-third higher than last year.

Imports of toys, games, and sporting goods also continued to expand rapidly, as did receipts of gem diamonds. Purchases of clothing and footwear, on the other hand, increased at relatively moderate rates after sharp advances in 1976.

Capital goods imports, which have advanced steadily for many years, were about 20 percent higher. Large receipts of machinery were led by substantially higher imports of office machines, electric power machinery and switchgear, and electronic components. Trucks from Canada arrived in greater numbers, although at a reduced pace from 1976. Trucks from elsewhere, mainly light pickups from Japan, declined, however, after surging last year. Imports of aircraft turned up, as deliveries rose from Britain and France.

Soaring first-half arrivals of coffee caused most of the sharp advance in food purchases. The 75 percent jump in the value of coffee receipts was more than accounted for by the rise in prices, as

Most Farm Export Prices Are Up; But Wheat, Corn Decline

	January-September 1977 Value* Millions of dollars	Average unit value Dollars	Percentage change from Jan.-Sept. '76 average unit value
Soybeans (bushel)	3,314	8.23	+50
Soybean oil cake, meal (short ton)	716	213.48	+35
Cotton (bale)	1,131	352.64	+22
Tobacco (pound)	870	1.67	+ 7
Rice (pound)	572	0.14	+ 2
Wheat (bushel)	2,060	3.12	−24
Corn (bushel)	3,198	2.67	−13

*Values are seasonally adjusted except those where no seasonal movement can be measured.

Asks Clarity On U.S.-USSR Projects

Secretary of Commerce Juanita M. Kreps called this month for development of clear U.S. policies that would remove investment uncertainties and lead to joint U.S.-Soviet projects tapping the Soviet Union's energy and raw material resources for worldwide use.

Secretary Kreps said that these uncertainties have been a major obstacle to cooperative energy development, and that they have existed not over the commercial viability of suggested projects, but "over whether a venture, once assembled, would be approved by the U.S. Government."

She made the statement in addressing the Board of Directors of the U.S.-USSR Trade and Economic Council in Los Angeles Nov. 15. The council is composed of business executives on the U.S. side and Soviet foreign trade officials on the Soviet side.

Mrs. Kreps said that "American firms have learned the hard way that it is possible to have their plans go awry at the eleventh hour. Moreover, it has, heretofore, proved difficult if not impossible for firms to obtain prior assurance that last minute disapprovals would not be repeated. Clearance procedures have been extremely complex and unpredictable."

The Commerce Secretary said that if the U.S. Government is "to apply unique criteria to projects with the Soviet Union, it is not too much to ask that those criteria be made known to those corporations preparing to assume the commercial risk, and that they be made known before the fact and explicitly rather than after the fact and by inference."

She declared that the Carter Administration is aware of this problem and "is examining it along with the other impediments to the long-term growth of U.S.-Soviet trade."

quantities dropped off considerably in response to consumer resistance to steep retail price hikes. Similarly, cocoa bean imports were up sharply in value despite reduced volume. Advances in purchases of fish, fruits, and vegetables were attributable to both higher demand and higher prices. In contrast, receipts of meat were lower in value than last year, as Australia and other major supplying countries held back shipments, which are limited by U.S. quotas, in hope of an upturn in prices at the end of the year. Sugar imports continued to decline from the record 1974 value as a further drop in price more than offset higher volume.

Export growth sluggish

Exports of nonagricultural products expanded by 6 percent above the comparable period of last year, largely as a result of higher prices. The volume of these sales grew by only 1 percent.

The growth in machinery sales slowed to 5 percent, only about half as fast as in 1976. Shipments were level in the first two quarters, but picked up in July-September to total $24.5 billion in the first nine months. An expansion of nearly $500 million in deliveries of computers and parts mainly reflected greater sales to Western Europe and Latin America. Shipments of electrical equipment to Europe also rose strongly. Measuring and controlling instruments and power machinery exports were especially large to the developing countries involved in new development projects.

In contrast, sales of construction and mining machinery fell by 9 percent, partly as a result of decreased demand for oilfield machinery and well-drilling equipment in Western Europe and some of the oil-exporting LDCs. Metalworking machinery deliveries dropped even more.

The outflow of automotive products to Canada rose through September, although shipments fell in both the second and third quarters from the high January-March level. Deliveries of cars to Canada, where sales have been increasing despite a sluggish economy, expanded by 17 percent, in part because of higher prices. Automotive exports to other countries also grew, but less rapidly. After more or less leveling last year, civilian aircraft sales declined by nearly 20 percent. The drop was mainly due to lower deliveries of large jet transports. Many foreign airlines had overbought earlier on the expectation of continued traffic growth which failed to materialize. Shipments of military planes, which tend to be quite erratic, rebounded from last year's relatively low total.

Although average prices for steel exports rose, the value continued to decline, falling 12 percent from January-September 1976, as steel remained in abundant worldwide supply. Similarly, coal and steel scrap, which are used in making steel, were lower because of depressed steel production abroad, a further shift to Australian coal supplies by Japanese importers, and perhaps also because of the strike in West Virginia mines in August. Coal prices were relatively unchanged, but unit values for scrap plunged to their lowest level in four years.

Chemical exports expanded by 12 percent in value and about the same in volume as prices, measured by the unit value index, rose slightly. Sales of elements and compounds accounted for about half the increase, but virtually all types of chemical exports were higher. Among other industrial supplies, shipments of lumber and aluminum rose in value entirely because of higher prices. But exports of paper and copper declined, as both quantities and prices moved lower.

Agricultural exports were 7 percent higher in the first nine months of the year. After increasing in both the first and second quarters, however, the value of these shipments fell sharply in July-September as export prices were lower for most major commodities.

The value of soybean and soybean cake and meal exports advanced steeply. Higher prices, caused by tight supplies and continued relatively strong worldwide demand, inflated values earlier in the year. Sales fell sharply in both volume and price in the third quarter, when prospects for a record U.S. crop brightened. Cotton sales also fell in July-September after a strong first half, but for the nine months were still nearly 50 percent higher than last year. Tobacco and rice exports were also considerably higher. Partially offsetting these increases were lower deliveries of wheat and corn which fell as a result of weaker foreign demand and sharply reduced prices reflecting this year's abund ant world grain supplies.

U.S., JAPAN COOPERATING IN SEMINARS FOR FIRMS ON JAPANESE MARKETING

The U.S. and Japan are sponsoring a series of seminars across the country in coming months to assist American companies with their sales programs in Japan.

Announcing the seminars, Deputy Assistant Secretary of Commerce W. Dean Moran said that they are an upshot of consultations among Commerce Secretary Juanita M. Kreps and various Japanese Government leaders in Tokyo in late September, during which the two governments agreed to create the joint U.S.-Japan Trade Facilitation Committee to assist with the expansion of Japanese imports from the United States (see *Commerce America*, Oct. 10, page 8).

The seminars will be a cooperative effort of the U.S. Department of Commerce and the Japan External Trade Organization (JETRO). They are designed primarily for small and medium-sized firms.

Two seminars have already been held, in Salt Lake City and Minneapolis on Nov. 9. Others, with some dates still to be set, are:

Houston, Jan. 12; Newark and San Francisco, Jan. 25; Little Rock, Jan. 26; Los Angeles, in February; Raleigh, N.C., and Milwaukee, March 9; Cincinnati, March 15; Boston, March 22; Dallas, in March, and Phoenix, Apr. 18. Commerce Department District Offices will have information on times and sites.

FOREIGN TRADERS WARN PROTECTIONIST MOVES ARE MAJOR THREAT NOW

The major annual meeting of the U.S. foreign trade community was a sustained cry of concern that efforts everywhere in the world to shield domestic industries against import competition will bring international business growth spiraling downward.

The policy declaration adopted at the 64th convention of the National Foreign Trade Council in New York Nov. 14-15 was threaded with such statements as "We deplore, even in our own country, the growing trend toward protectionism," countered by appeals to recognize that "forward movement toward more liberalized trade is the way to increase employment and curb inflation for all members of the world trading community."

In a keynote address for the business community, Bank of America president A. W. Clausen advised that the U.S. and other industrial countries are now so interdependently committed to international trade that attempts to impose protectionist measures would cost more American jobs than they would artificially protect.

To screen a few industries from price and productivity competition through import barriers, he said, would not only invite retaliation, "it would hurt the consumer, and if it hurts the consumer, it hurts the worker."

Blumenthal summary

Keynoting the meeting for government speakers, Treasury Secretary W. Michael Blumenthal said that new structural developments in the world's industrial economy "will produce intensified pressures everywhere to export more and to restrain imports, in order to maintain employment and production. It is obvious that these pressures are inconsistent with each other in a world context. Our task is to make that world context prevail. We must meet these challenges through strengthened international cooperation."

The President's Special Trade Representative, Ambassador Robert S. Strauss, said that he expects a successful conclusion to the Multilateral Trade Negotiations in Geneva next year. But he said he is convinced that the American people will not accept the MTN agreement unless it is apparent that it does not impair U.S. trading interests generally and unless it provides solid safeguards for import-vulnerable U.S. industries.

The convention declaration summarized today's major trade issues in the following terms:

► World unemployment and inflation—Protectionism is the response of many countries to their problems of high unemployment and inflation, but protectionism simply worsens the problem by inviting retaliation and contraction of world trade.

► International trade policies—In view of mounting protectionist pressures, it is now more important than ever that the current Multilateral Trade Negotiations in Geneva succeed in reaching agreements to provide means for dealing with injuries from competitive imports, provide relief from unfair trade practices, and provide the framework for trade expansion.

► Exchange rates—The current system of floating exchange rates has to some extent met the needs of the financial and business community but there have been instances of sharp fluctuations in currencies which have had an adverse effect upon business.

► Financing balance of payments deficits—Debt service and possible long-term refunding of external debt have become major questions.

► Taxation—Several proposals before Congress would impose further tax burdens on U.S. international businesses and place these ventures at a disadvantage with foreign competitors.

► Energy issues—As a major producer and consumer of energy, the United States can lead the way toward fostering international cooperation in the conservation of energy and the expansion of energy resources.

► North-South relations—Major problems in this area are reflected in the lack of progress in the Law of the Sea negotiations, disagreement over pricing of basic commodities, and an ideological split between the industrialized world and the developing world over the framework of the international economic system.

► Equitable conditions for private international investment and business operations—Although a very few host countries have in recent years relaxed some of their barriers against foreign private investment, the free flow of such investment is still inhibited in many parts of the world by restraints upon and barriers against multinational corporations, barriers which act as roadblocks to international investment and economic development.

Commerce official comments

Assistant Secretary of Commerce Frank A. Weil commented on the taxation issue and added three others to the list in his address touching on "tough, controversial issues that we tend to avoid talking about for fear of misunderstanding and criticism." He made these points:

On U.S. antitrust laws—"Perhaps some evaluation or clarification might be useful . . . More recent broad interpretations applying these laws to U.S. overseas activities have created an uncertainty that is perceived by many U.S. firms as impeding their ability to compete effectively."

On U.S. tax laws—"Many foreign governments go easy taxing income earned abroad. Some do not tax it at all. Not so the U.S. Not only do we tax foreign income, but under recent changes in Section 911 of the Internal Revenue Code—now in abeyance for another year—we could tax foreign income at what would amount to penalty rates."

On legislation covering improper payments abroad—"I personally support the broad long-term aims of the current bill before the Congress. I only question whether or not we are serving our overall best interests by jumping the gun on the rest of the world. The desirability of an international agreement on unlawful payments has been widely recognized and supported. It is imperative that we pursue this multilateral course of action if we are to avoid adverse export consequences."

On anti-boycott legislation—In drafting regulations we must ensure that they "function in such a way that there is a maximum impact on the boycott, consistent with the intent and directive of the law. At the same time, we should seek to minimize the negative impact on trade in the Middle East, which is rapidly becoming one of our major international markets."

Trade impact important

"For the past several decades, we have been attacking many of society's problems without considering the trade consequences of our solutions," Weil said. He said that such approaches often give rise to "unintended consequences of well-intended acts. With trade an increasingly important part of our lives, we need to be more systematic at the Federal Government level in assessing the trade impact of all proposed laws and policies."

Weil said that "clearer, consistent, trade sensitive policies will help ensure that our long-term competitiveness, in all its aspects, is restored."

Talks In Poland

Secretary of Commerce Juanita M. Kreps will lead a U.S. delegation to the Seventh Session of the Joint American-Polish Trade Commission in Warsaw, scheduled for Nov. 30-Dec. 1. The Commission, which was established in June 1972 by the President of the United States and Polish leaders, will review recent developments in U.S.-Poland economic relations and exchange views on commercial and economic cooperation between the two countries.

The discussions will be chaired by Secretary Kreps for the United States and Vice Premier Kazimierz Olszewski for Poland. During her visit, Secretary Kreps also will meet with other leading Polish officials.

OUTSIDE, INSIDE—*New U.S. exhibition facility (above) in Caracas, on the campus of the metropolitan university, is located within minutes of commercial, banking, and industrial areas. Photo at right shows Edward Hilsinski (right), Bridgeport Machines, explaining advantages of his firm's milling machine, during inaugural exhibition of metalworking equipment.*

OPENING CARACAS SHOWS PROVE DYNAMIC APPEAL OF VENEZUELAN MARKET

The $3.2 billion Venezuelan market can now be tapped through a newly opened U.S. exhibition facility in Caracas. U.S. exporters displaying metalworking equipment at the recent inaugural event there projected sales at $10 million and shortly thereafter, exhibitors in a telecommunications show projected $16 million in new sales.

The success of the inaugural shows and the reception given U.S. products by Venezuelan purchasers and decision makers reflect the dynamism of the oil-rich Venezuelan economy. Major expenditures in agriculture, electric energy, iron and steel, aluminum, petrochemicals, and plastics, can be expected to foster burgeoning future sales by U.S. exporters.

Seventy-two exhibitors at the metalworking exhibit sold equipment valued at $1.4 million during the six-day event; in addition, sales worth $10 million are projected. New-to-market companies accounted for $6.5 million of the projected sales and these same firms appointed 11 new agents. Venezuelan purchasers of metalworking machinery are expected to top $160 million this year and rise to $248 million in 1980. Major end-users are in the metals, automotive and general manufacturing industries. Good sales were reported in all general lines of metalworking equipment, including medium surface grinders, milling machines, foundry and welding equipment, pipe threading and cutting, shearing, forming and bending equipment, and machinery for making tools, dies and molds. The market for high through-put machines, numerically controlled machines for intricate and complex parts, and heavy-duty punching equipment will develop when Venezuela's industrial plant becomes more sophisticated.

Long-term prospects for the 87 U.S. companies exhibiting in the telecommunications show are outstanding. New-to-market firms provided projections of $13.4 million out of the total $16.8 million anticipated sales. Six agency agreements were signed by these same firms and 27 were under negotiation. Greatest interest centered on electronic telephone exchanges (PABX), electronic security and surveillance equipment and radio broadcast studio equipment. Facsimile machines and transmitters also were the objects of off-the-floor sales. Consumption of telecommunications equipment rose 46 percent annually between 1973 and 1976 when it was an estimated $172 million. This fast growth is largely due to a surge in land line communications. The eventual decision to introduce color television will open a further new market for broadcast and receiving equipment.

The new Thomas Alva Edison exhibition facility, constructed by the Commerce Department, this month is staging a process control instrumentation show and will house eight major exhibitions between now and September 1979. The facility is an important part of the "Sell in Venezuela" marketing program designed to encourage U.S. exporters to enter the lucrative Venezuela market. To alert U.S. businessmen to the Venezuelan market potential, the Department has published a 154-page study on business opportunities, a practical guide to marketing, an information checklist, and a 184-page "Trade List" giving names and addresses of over 3,000 prospective agents, distributors, and end-users (see accompanying box item).

More than 20 individual market research studies covering separate product lines have been produced or will soon be available. These market research studies cover all the product categories which are themes for the 11 exhibitions scheduled in the two-year period. In addition, market research is available on equipment for the pollution control, food processing and packaging, computer, prefabricated housing, and laboratory industries and market research is being conducted in the petrochemical and educational materials fields. Available market research is listed in the "Information Checklist—Venezuela" shown in the box item.

The Department has participated in over 30 domestic "Sell in Venezuela" seminars throughout the United States. These seminars, designed to introduce U.S. exporters to market opportunities, are continuing with a presentation in Philadelphia Nov. 22. Two are scheduled for 1978: Mobile, March 15-16, and Hartford, April 6. Information on the seminars is available from the Department of Commerce District Offices in or near these cities.

Future shows at the U.S. exhibition facility are designed to take advantage of the continued heavy purchasing by the public and private sectors in Venezuela. The scheduled shows are: Dec. 5-10, advanced business equipment; April 3-8, 1978, energy systems; May 15-20, sporting and consumer goods; June 26-July 1, print-

Publications Available

The following publications on Venezuela, issued by the Commerce Department, are available at the address given for each:

Venezuela: A Survey of U.S. Business Opportunities. Price, $2.25. Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Venezuela: Trade List. Price, $3. Bureau of International Commerce, DIB/1033-EID/TL, U.S. Department of Commerce, Washington, D.C. 20230.

Marketing in Venezuela. Price, $0.50. Publication Sales Branch, Room 1617, U.S. Department of Commerce, Washington, D.C. 20230.

Information Checklist — Venezuela. No charge. Bureau of International Commerce, OIM/Andean, Room 4036, Washington, D.C. 20230.

ing and graphics; Sept. 4-9, plastics production; June 1979, agricultural equipment; August 1979, mining, construction; and September 1979, health care equipment. U.S. companies interested in taking part in any of these exhibits should contact Hans Amrhein, Bureau of International Commerce, Room 4036, U.S. Department of Commerce, Washington, D.C. 20230; telephone, 202-377-2995; or any Commerce District Office.

Strong Interest In Basic Pollution Control Equipment Found In Hungary, Poland

Basic equipment to control air and water pollution, yes; specialized items to meet the strict and sophisticated standards familiar in the United States, no. That is the assessment of the pollution control equipment markets in Hungary and Poland made by a Commerce-led technical sales seminar team that has just returned from Budapest and Warsaw.

Throughout both countries, the group of U.S. industrialists learned, the development or maintenance of industrial life is not being curbed by environmental considerations unless damage to human health is obvious and well-known. Industrialization is proceeding at a much faster pace than the application of pollution controls.

The seminars, scheduled by the Department's Bureau of East-West Trade, were conducted by executives of six U.S. companies—all manufacturers of pollution control equipment—and attended by Ministry officials, representatives of foreign trade enterprises, and industrial end users. The Bureau's Arnold Weiss served as coordinator in both countries.

Summarizing the observations of the U.S. participants, Weiss pointed out that particular interest exists in automatic, modern field monitoring instruments for both air and water pollutants. Monitoring networks are being established, but because of personnel shortages, field monitoring is limited. Instruments which do not require frequent re-calibration and other services offer sizable potential. If the instrument can be easily modified to monitor several different pollutants, the advantage can be even more important in these markets.

For a U.S. firm to manufacture such instruments locally under license and take payment in a percentage of the instruments built may be worthy of consideration; however, the U.S. partner would be well advised to verify supplies of special electronic components, as their availability is less reliable than in the United States.

For local manufacture of major pollution equipment, process control instruments—sensors, for example, for which the technology has not advanced to the U.S. level—may be supplied from the United States. Any company contemplating local manufacture, however, needs to consider the problem of standards "transliteration."

Pollution control hardware that may provide product reclamation or generation is of special interest. There is also a developing market for radio-isotope control equipment. For both, primary interest is in purchase of technology.

The U.S. participants agreed that the market conditions noted in Hungary and Poland probably apply to other East European countries. The hard currency supply in much of Eastern Europe is limited for pollution control equipment, and in any purchase evaluation, the potential for "buy-back" or joint venture must be considered.

Mexican Furniture Makers Seen Buying U.S. Equipment To Improve Their Operations

The surprisingly good attendance at a U.S. Trade Center exhibition in Mexico City recently was considered a reflection of the desire by Mexico's furniture industry to increase production and improve quality.

The furniture production equipment exhibited at this first show of its kind by the Trade Center seems to have filled a niche that had been largely ignored by U.S. suppliers. Eight firms actually appointed one or more representatives during the show and all of the remaining 21 were expecting to do so in the next 12 months.

Major focus of the exhibition was on furniture manufacturing; other woodworking had secondary emphasis. The nonwoodworking elements of the show, such as upholstery sewing and bonding equipment, fabrics, glass fiber reinforced plastics production equipment, formica cutting equipment and metal tube bending equipment, gave the buyer a complete range of choices of suppliers and alternative raw materials.

Although Mexican furniture production facilities are generally of small to medium capacity, the industry has become one of the country's most dynamic. Demand for woodworking machinery and equipment more than tripled between 1973 and 1975 and is projected to increase by 48 percent through 1977—at which time almost 90 percent of the requirements are expected to be supplied by foreign sources. Production equipment of small- to medium-capacity is in strongest demand. Lacquer and synthetic materials are becoming significant in furniture finishing.

Immediate sales and 12-month projections totaling some $2.3 million by the show participants indicate that U.S. furniture manufacturing equipment should enjoy an excellent market in Mexico.

U.S. SPORTING GOODS CHALK UP HIGH SCORES AT FALL COLOGNE FAIR

German buyers of supplies for sports enthusiasts found major attractions in the U.S. displays at SPOGA 77, the annual fall exhibition of sporting goods and camping equipment at the Cologne fairgrounds.

"Made in USA" has become a mark of quality in such items. Sales of sporting goods, camping equipment and leisure time products in Germany and throughout Europe are expected to continue to grow—especially for high-quality items—and the U.S. market share to increase steadily, following the trend of recent years.

Tennis equipment, especially rackets and stringers; sophisticated fishing equipment such as rods and reels with range and depth finders, fishing lamps and carrying cases; training and running shoes; water skis; sports outerwear; electronic digital time devices; swimming and diving gear including masks, fins, snorkels and goggles; and last but not at all least, skateboards and protective helmets were very popular items at the exhibition.

The following products seem to have good selling chances but require more exposure to establish their place in the market: "sportote" bags, golf bags, tennis luggage, bowling bags; charcoal and electric water smokers and barbecue grills; track equipment, educational playground and gymnasium equipment; sportswear and accessories, and specialty tents.

Forty-four participants representing 52 firms plus the National Sporting Goods Association were included in the U.S. pavilion. Most of the exhibitors felt that their products were competitive in European markets in design, technology, versatility, and generally, price. Sales were reported at $2,094,000 and 12-month projection at more than $14 million. Particularly noteworthy were the sales of the new-to-export firms—$903,620 from the floor and $4.7 million expected in the coming year. Thirty-one representational agreements were concluded during the event, and an additional 97 are expected in the next 12 months.

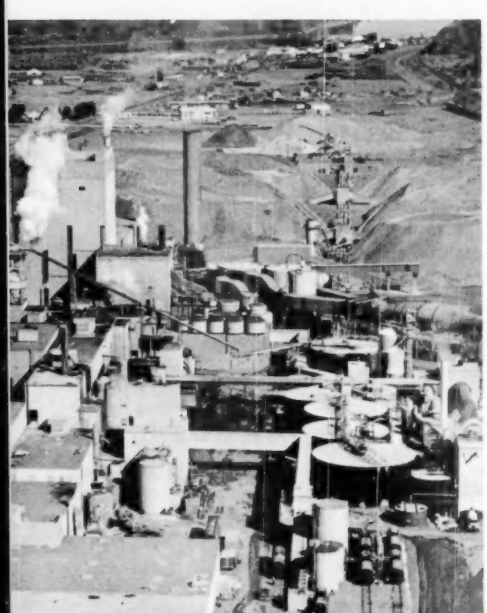
Food Fair In Thessaloniki

U.S. firms are invited to participate in the 3rd annual International Fair of Food, Beverages, and Equipment—DEMOP '78—to be held in Thessaloniki, April 14-19. Last April, firms from 24 countries from all continents participated. Application deadline, Jan. 14. Write the organizing office: Thessaloniki International Fair, Thessaloniki, Greece; telex, 041-41-291; cable, FOIRINT, Thessaloniki; phone, 031-271-823.

CANADA'S SOFT ECONOMY SLOWS IMPORT GROWTH; PACE MAY QUICKEN IN '78

After a brief, export-led flurry of activity in the first quarter of this year, growth of Canada's real GNP has slowed considerably. The U.S. Embassy in Ottawa reports that the slowdown is broadly based: consumption spending has been hampered by the slow growth of disposable income, while investment is deterred by excess capacity and the uncertain economic outlook. The unemployment rate stands above 8 percent, the rate of increase in consumer prices is still high, the large current account deficit persists, and fiscal and monetary policy remain cautious.

Although the rate of increase in consumer prices is presently running at just over 8 percent, a continued moderation of food prices should have a favorable influence on inflation into 1978. Moreover, the average annual increase in wage rates was 8 percent in the second quarter of this year compared with an average rise of 10 percent in 1976. The deceleration of wage increases and a steady (albeit rather low 2.1 percent) increase in productivity should sustain moderation in unit labor cost increases and hence in the inflation rate. On the negative side, increases in energy prices and the depreciation of the Canadian dollar will exert upward pressure on the price level. On balance, the inflation rate should continue to come down over the next 12 months.



CANADIAN INDUSTRY—*A slump in demand and investment has dampened industrial activity. Here, a pulp mill on the Thompson River at Kamloops, B.C.*

A slower rate of price increase should help lift real incomes and consumption expenditure. The positive effects of Canadian dollar depreciation on export/import volumes should contribute increasingly to economic growth. Nevertheless, growth expected this year (just over 2 percent) and next (4-4.5 percent) will be insufficient to significantly reduce the current rate of unemployment (8.3 percent).

The value of U.S. exports to Canada increased by nearly 11 percent to U.S. $24.1 billion in 1976 and progressed at an annual rate of almost U.S. $27.0 billion in the first five months of this year. Almost 70 percent of total Canadian imports come from the United States.

In general, the Canadian market will grow rather slowly over the next 12-15 months, although some acceleration may occur as the domestic economy gradually picks up. The Canadian dollar has depreciated by about 10 percent against the U.S. dollar since October 1976, a development which will improve the competitive position of Canadian industry.

Mixed economic pattern

The growth of markets will vary considerably across regions and among sectors:

The Maritime Provinces: Increased demand for coal has benefited Nova Scotia, thereby creating a market for coal mining equipment. Other expanding markets include cost reducing hotel/motel catering supplies, farm equipment (especially for root crops) and equipment for the logging and lumber industry.

Quebec: High labor costs have created a demand for capital equipment which would reduce costs and enhance productivity. Rising energy prices have spurred interest in solar heating devices, while other energy related products should also find a market. Other areas of potential include process control and security equipment. Demand for consumer products is weak.

Ontario: Industry is putting its chips on export-led growth. If this materializes, the demand for capital equipment will rise. The market for electronic components, construction materials and supplies, and builders hardware has diminished. The market for energy conservation equipment and process control instrumentation is more favorable.

Manitoba: Depressed farm incomes will limit the sales growth of consumer goods and of farm machinery and equipment. Interest continues, however, in developing the food processing sector because of the lift this would give to employment within the province. Demand for mining equipment is expected to be weak.

Saskatchewan: Saskatchewan farmers are also suffering from the effects of low wheat prices. However, activity in the energy and mining sectors is vigorous and demand for related equipment should grow. As Saskatchewan continues its effort to broaden its economic base, sales and investment opportunities should open up in manufacturing and in food processing.

Alberta: Growth is strong, and markets are expanding. The best commercial potential appears to be in construction and transportation equipment, pipeline materials, gas processing, metal fabrication, drilling equipment and technical and management services.

British Columbia: Equipment related to gas exploration and development should continue to be in strong demand, as activity should remain vigorous in this sector. Approval by the government of a major hydroelectric project and U.S./Canadian agreement on the Alcan pipeline route will generate increased market growth. Demand for construction equipment and materials should be especially strong.

A new Bank Act is now in the final drafting stage and should soon be tabled in Parliament. The legislation is expected to follow the government's White Paper produced last year, in that it will contain provisions allowing foreign banks to become chartered banks, albeit with restrictions.

In 1976, the net book value of U.S. direct investment in Canada was U.S. $33.9 billion, a 9 percent increase over 1975. This represents 25 percent of total U.S. direct investment abroad and over one-third of U.S. direct investment in developed countries.

In 1976, Canada experienced a C$850 million net outflow of direct investment, resulting from negative foreign investment in Canada of C$295 million and C$555 million in Canadian investment abroad. On Canada's bilateral account with the United States, the net outflow was C$724 million and was largely due to Canadian purchases of some large Canadian subsidiaries of U.S. companies.

In the first half of 1977, U.S. direct investment in Canada exceeded Canadian investment in the United States. Moreover, in the second quarter of this year, total inward direct investment flows exceeded outflows for the first time since early 1975.

While overall growth of the Canadian economy will be rather slow, important investment opportunities exist in expanding sectors, particularly in energy-related activities.

The Foreign Investment Review Agency (FIRA) has not been a significant hindrance of late to foreign investment. According to recent statistics made public by FIRA, the agency approved 88 percent of all investment applications in the first three years of operation. In individual cases, however, it can be an obstacle, especially where mergers or takeovers are contemplated.

YEMEN APPEARS PRIMED FOR RAPID DEVELOPMENT, NEEDS FOREIGN EXPERTISE

Yemen's economy, long sustained by foreign aid from a variety of sources, is on the road to achieving a level of self-subsistence never before known. Although it has had an historic and important past, it is a developing country in every sense of the word, with needs spanning all areas—infrastructure, agriculture, industry and power supply. A spillover of Saudi Arabian affluence is putting Yemen in favorable position to achieve its ambitious development goals, which in turn should offer lucrative sales opportunities to U.S. firms and make this Near East nation a promising site for American investment. Following are excerpts taken from a report prepared by Joseph O. Eblan, Commercial Officer at the U.S. Embassy in Jidda, who recently visited Yemen. Eblan and officials at the U.S. Embassy in Sana believe that U.S. firms should be encouraged to examine this promising market.

Yemen has clearly benefitted from Saudi Arabia's booming affluence. It is the greatest supplier of labor for every sector of Saudi development. Estimates range from 500,000 to 2,000,000 Yemenis working in Saudi Arabia, and there are a significant number in other affluent Arab Peninsular countries. It is estimated that worker repatriation of funds in 1977 will exceed $1.5 billion. The outflow of workers to Saudi Arabia has caused shortages of construction workers in Yemen and as a result wages are rising.

It is believed that the flow of Yemeni workers to Saudi Arabia will continue long after completion of construction of the Saudi development programs. Saudis refuse and can afford to decline any menial or semi-skilled work. Operation of the billion-dollar projects in Saudi Arabia could require more workers than the numbers that constructed them. For instance, the new Jidda Airport will require 24,000 operational workers compared to the 8,000 employed in its construction. Yemen is the closest and most adaptable source of labor supply.

With its workers abroad earning the cost of its internal development, creation of its own $3.5 billion development program, and continued official Saudi interest in its progress, Yemen has the potential of becoming an economically viable state. In agriculture, if the production and processing of foods can be made as profitable as the marketing of qat, the mild stimulant and Yemeni national obsession which appears to dominate agriculture, then prospects in this field are excellent. Food-shy Saudi Arabia and the Horn of Africa could become lucrative markets. The climate of mountainous areas of Yemen is ideal for agriculture and, eventually, tourism from the blazing ports of the Horn and the oven atmosphere of the Saudi Desert. Saudi investment in this area is foreseeable. Kuwait investment already exists, primarily in construction companies engaged in infrastructure projects and a cement plant project.

Under the contemplated Yemeni program, large infrastructure projects such as new roads, expansion of the port of Hodeida, improvements in civil aviation, establishment of a new and much needed telecommunications network, expansion of the primitive electric power system, commercialized agriculture and other needs in this backward market present unusually bright commercial prospects in all fields ranging from construction equipment to consumer goods.

The commercial and economic potential in the Yemen Arab Republic and the changes occuring and about to occur are not temporary phenomena. The current prosperity will continue as long as its affluent neighbor to the north, Saudi Arabia, needs Yemeni workers and as long as the Saudis retain an abiding interest in creating favorable conservative and moderate political conditions. This former political trouble spot could, however, reach a level of economic viability of its own once the infrastructure, local industry and agriculture improvements are made.

Potential is immense

For U.S. engineering, construction and trading firms the potential is immense. From total cash reserves of about $2,000 about 10 years ago, Yemen's foreign fund reserves are now over $2 billion. Demand deposits in the private sector have increased over 1,000 percent since 1972.

Yemen's imports have increased from YR 411 million in 1972/73 to YR 1,707 million in 1975/76. The current year is expected to show an import figure of well over YR 2 billion. The U.S. share of the market in 1975/76 was only 1.3 percent. Japan is the leading supplier with 14 percent of the market.

Currently animals and foodstuffs top the list of imports with 43.4 percent. Manufactured goods (18.2 percent) and machinery and transport equipment (17 percent) are the second and third largest import items.

As Yemen develops its evident potential to produce more foods, not only for domestic consumption but also for export, more funds will be available for import of heavy machinery and transport equipment which it sorely needs.

In addition to the potential for export of goods to this market, there is even a greater potential for provision of services and technology in engineering and construction. Raw but conservative estimates indicate that in the next three years projects valued at over one billion dollars will be implemented. A review of these projects with officials of the Central Planning Office, the Minister of Development and the Ministry of Economy indicate the following:

- Two cement plants of 300,000 and 500,000 tons, respectively, valued at over $200,000,000. (First plant now locked up by Kuwaiti-Yemeni Consortium.)
- Numerous dams to conserve the ample rainfall for agriculture—value of over $150,000,000, plus underground water storage systems.
- Enlargement of the Port of Hodeida where 50 ships are at anchorage with a turn-around time of 4 months to use the three available docks. Cost estimate $70,000,000.
- An oil pipeline from the Red Sea coast to Sana, an uphill all-the-way project requiring heavy pumping stations. Value estimated at $300,000,000 plus.
- Modernization of the electric generating facilities at Sana, and improvement of the country's almost nonexistent grid. Value large but unspecified.
- Rural electrification—value unknown.
- Road projects of over 2,400 kilometers in the next three years. Engineering not yet done. Minister of Development would prefer one company to complete all the highway projects. This could cost over $2 billion.
- Enlargement and development of the ancient Port of Mocha. Engineering not yet started.
- Telecommunications projects. French appear to have gotten first phase which will be followed by later expansion. Estimates range from $500,000,000 to $1.5 billion.
- Draft of the three-year plan gives priorities to construction of industries to produce building materials from domestic resources. Also, priority will be given to all industries using local materials.
- An industrial estate has been started at Sana.

In addition, there are many and varied private investment prospects in copper and iron ore mining, marble quarrying, tourism and transport. There are also a variety of development loan banks and sources for the public and private ventures including IDA, the EEC, IBRD, the Islamic Development Bank and others.

Presently, the Yemen Arab Republic needs engineering firms and the interest of major construction firms. Officials at all levels have stated that U.S. firms are desired. All they need do is visit Yemen and meet with government officials and local businessmen. Nothing more is needed than U.S. consultant firms to draw up tenders and advise the government on the feasibility of projects as well as to recommend priorities. There is no such expertise in Yemen capable of undertaking the scope of the projects under consideration.

Uruguay's Long-Term Program To Regenerate Its Economy Is Enhancing U.S. Opportunities

Uruguay's economic indicators are presenting a mixed picture, according to the U.S. Embassy in Montevideo, after a relatively good showing in 1976. Trade has continued to improve, with both import and export figures rising well above 1976 levels and showing a small trade surplus. Uruguay's international reserve position is strengthening and there was a slight fiscal surplus over the January-June period in contrast to earlier years. Official figures indicate that the level of government domestic debt is being reduced. Prospects are good for development in several industrial sectors.

On the other hand, the country has been affected by a continuing decline in real wages and a recent higher rate of inflation, registering 29 percent during the first half of 1977.

Domestic issues under current discussion include the major role the government has increasingly assumed in managing the agricultural sector, problems in stimulating production, and working out a strategy for industrial development with a concomitant lowering of tariff rates and simplification of import procedures.

From the early 1950s to 1973, Uruguay went through a period of economic stagnation characterized by low or negative growth rates, high inflation and political disturbance. In 1973, however, the Uruguayan Government adopted a reform program to reinvigorate national productivity based on a return to a market-oriented economy and encouragement of export industries. Should further progress toward economic reform be made in line with the government's program, opportunities for U.S. investors and exporters would be correspondingly enhanced.

Uruguay is a land-rich country where food production can potentially be increased with relatively low investments. This, given global pressure for foodstuffs, enhances a favorable view of Uruguay's long-term prospects.

Although small in real terms, Uruguay's trade with the United States has been growing substantially. For example, at mid-year, capital goods imports were up $1.2 million over 1976 levels. U.S. sales should continue to grow as Uruguay's export sales and need for new equipment and raw materials increase. The country is also host to $100 million-plus of U.S. investment.

A number of major projects that will modernize the country's infrastructure and industrial production are under way or planned for the near future. These include large hydroelectric dams (on the Rio Uruguay and the Laguna Merin, between Uruguay and Brazil), expansion of Montevideo's sewage system, modernization of microwave and telecommunications, port improvement and fisheries. Uruguay's purchases for these major projects will naturally increase.

As for openings for U.S. investment, the position of Uruguay between Argentina and Brazil adds opportunities under LAFTA complementation agreements and bilateral trade pacts with those countries.

In the private sector, there will be a growing market for fishing equipment and related processing and refrigeration equipment, shoe manufacturing and other leather processing equipment, as well as for food processing and packaging equipment. Uruguayan meat packers, determined to diversify production, will continue to investigate the purchase of U.S. cooked and corned beef canning lines. Important sales to meat packers and fruit processors have already taken place and should continue.

Given Uruguay's well-known comparative advantage in the export of agro-industrial products, IBRD and AID have ongoing industrial sector loans providing medium and long-term credits, and technical assistance for development of export oriented industries. Important opportunities exist for U.S. investment in such industries and/or commercial arrangements for marketing their output.

If Uruguay continues to opt for reform, U.S. capital equipment, raw material and other suppliers will have increased sales opportunities. In the majority of cases, companies seeking to enter the Uruguayan market will find appointing a local sales agent to be the most effective first step, although establishing manufacturing facilities or investing in agribusiness production should not be discounted.

In the long run, U.S. manufacturers can expect to face continued and increased competition from Argentina and Brazil. In addition to cultural ties and geographical proximity, those countries are offering very favorable export financing for their products. U.S. firms with Brazilian or Argentine subsidiaries are benefiting accordingly. However, to the extent that liberalization continues, opportunities for a wider range of U.S. exports will be correspondingly enhanced.

URUGUAY RIVER PROJECT—*Construction workers prepare grid of steel rods prior to pouring concrete at 1,620,000-kilowatt hydroelectric plant being built jointly by Argentina and Uruguay at Salto Grande. Inter-American Development Bank loans of nearly $200 million are helping finance the project, one of several currently under way.*

Thai Economy Is Accelerating; U.S. Exports On Upward Trend

Spurred by continued export growth, the Thai economy is accelerating. Both exports and imports are running well ahead of a year ago. The trade deficit is up and the baiance of payments will be in deficit by around $150 million. The pace of inflation has quickened and will be in double figures this year after two years when it was held at about 6 percent, continues the U.S. Embassy in Bangkok.

A major hope for the future is development of the substantial gas reserves in the Gulf of Thailand. Exploitation of Gulf gas could provide the catalyst for a real boom in the Thai economy. There is considerable U.S. private sector interest in participating in various aspects of natural gas development and utilization.

Thailand's Fourth Five-Year Plan, for the period 1977-81, aims for a higher and

sustained rate of output, investment and employment expansion, especially during the first two years of the Plan. The longer run emphasis is on reducing social and economic disparities by increasing rural income and employment opportunities, diversifying agriculture and improving agricultural productivity. The Plan also stresses an industrial development strategy to promote export-oriented and agro-based industries and natural resources development including water, forest and minerals resources, and land reform. The Plan projects a growth rate of 7 percent annually and requires a total investment of about $31 billion.

The Plan lists prospective new public sector projects of almost $8.0 billion, with the greatest portion being projects of state enterprises. The power sector alone accounts for over $3.0 billion, including hydro, conventional thermo, and nuclear-generating stations, transmission and distribution, and rural electrification. Many of these projects have potential for significant business for U.S. firms.

Some of the best investment and sales opportunities for American companies in Thailand continue to be in the agribusiness sector. With the government's development plans emphasizing higher rural incomes and employment and developing the economy in the countryside, sales prospects look particularly attractive for exporters of food processing and packaging machinery and equipment, as well as a wide variety of products and services needed for planned development of the rural economy. Thailand's new Plan includes rural development among its priority objectives, with the government expecting to allocate considerable sums for such things as irrigation projects, expansion of power generation and transmission facilities, rural electrification, regional airport expansion and port improvement projects, country-wide expansion of telephone facilities, and the like. Equipment to complete such projects as these will be needed, as well as construction equipment and consulting services.

There are other opportunities as well for American exporters, not directly related to rural development or construction. There are expanding markets for office equipment, communications equipment, furniture-making machinery, and hospital and medical equipment.

American exports to Thailand have continued to increase over the past several years, and there is every reason to believe that this trend will continue. Thailand is not yet ready for the most sophisticated of equipment, but it is clearly moving steadily in that direction and U.S. companies which have developed relations with local agents and the local market will be in the best position to benefit when that time comes.

Upper Volta's Sound Financial Position, Regional Orientation Make It Logical Sales Target

The process of industrialization is still in its preliminary stages in Upper Volta, but money brought in by aid programs and international organizations which have established their headquarters in Ouagadougou is rapidly increasing Voltan purchases of foreign goods.

The U.S. Embassy in this west Africa nation reports that the manufacturing/industrial sector accounts for less than 10 percent of GNP. The few factories are in the four Voltan cities along the railway which links Upper Volta with the ports of Abidjan, with the largest being a $27 million integrated sugar plantation complex near Banfora, a textile plant at Koudougou, and breweries in Ouagadougou and Bobo-Dioulasso.

The biggest development project planned is the TAMBAO manganese project. A consortium of Japanese, American, German and French companies has been formed to mine the 12-million-ton deposit of high-grade manganese ore, if and when Upper Volta completes the financial arrangements to extend the railway the 200 miles from Ouagadougou to the site. The government is also drawing up plans for a new sugar complex and textile factory.

Upper Volta has an austerity-minded government which has succeeded in achieving a balanced budget and balance of payments surplus almost every year for the past decade. There has been a trade deficit every year, but these deficits have been balanced by money sent home by roughly a million Voltans working in other countries, French military pension payments, and foreign aid. The biggest aid donors have been France, the European Development Fund, West Germany, the UNDP, the United States, Canada and Holland. As a result of the balance of payments surpluses, Upper Volta does not have a debt servicing problem, and its accumulated surpluses cushion the nation against possible future deficits.

Long-term goals

To prosper, Upper Volta needs to use efficiently its water resources. Since virtually all of the year's rain falls during the four-month rainy season, dams are important for long-term development. Even when the reservoirs behind these dams go dry halfway through the long dry season, the dams help to raise the water table and keep wells from going dry. Well digging is also important since many people live over a mile from the nearest well.

Reforestation is another major long-term concern, because the encroachment of the Sahara desert is a serious threat. While goats and fires endanger reforestation projects, the trees help to hold moisture, reduce erosion and provide firewood (the chief fuel in Upper Voltan households).

Much good land along the major rivers is unused due to onchocerciasis (river blindness), a disease which is endemic in these river valleys. A 20-year, multinational program aimed at exterminating the black fly which transmits the disease, is opening this land to cultivation. Other fertile land is unused because of roads that become impassable during the rainy season. Building all-weather roads will open up these areas. These programs will add to total agricultural production and reduce population pressure.

Minerals will be extremely important to Upper Volta's economic future. In addition to the TAMBAO manganese deposit, a gold mine that has been closed for a decade will be reopened soon. Possibilities also exist for mining nickel, copper, bauxite, phosphates, stibnite, and perhaps uranium. Geologically this is a frontier area which has been explored only superficially.

When solar energy technology becomes more economical, Upper Volta will benefit enormously because it has sunlight in abundance. There are already some experimental solar pumps in operation in Upper Volta.

U.S. exports to Upper Volta are small but growing. They sometimes fluctuate widely from year to year due to intermittent purchases of earth-moving machines and expensive single items such as a $2.5 million satellite ground station installed last summer.

Tapping the West African market

American firms should seriously consider including Upper Volta as part of plans to tap the West African market. Upper Volta shares a common currency with the Ivory Coast, Senegal, Togo, Niger and Benin, which makes it part of a significant regional market. This is a stable, hard currency, due to the guarantee of convertibility into French francs. Regionally-targeted marketing efforts, aimed primarily at the Ivory Coast and Senegal, can produce additional sales by including the Voltan market.

The overall investment climate is excellent. The government is stable and conservative, and human rights are respected. The Voltans have a liberal investment code which grants tax and customs exemptions (up to 25 years in certain cases), tariff protection, eased foreign currency restrictions, and guaranteed arbitration. Many Voltans are eager to work with Americans in order to reduce the French domination of Upper Volta's commerce.

Like many other developing nations, Upper Volta is pursuing a policy designed to increase Voltan control of vital do-

mestic business and financial activities. In large enterprises, Voltans must own at least 51 percent of the stock.

Upper Volta seeks to attract foreign investment and expertise for processing plants as part of its economic diversification program. The Director of Industrial Development keeps a priority list of projects, and is glad to discuss specifics with interested firms. Examples of projects for which the government is seeking outside capital include hotel construction and factories for textiles, enamelware, vegetable oil and livestock feed.

New initiatives in agriculture and the exploitation of mineral resources will create new opportunities for the supplying of goods and know-how. American firms will be able to compete for contracts on projects financed by non-tied sources, (e.g., World Bank, USAID, WHO, African Development Bank). Key areas of concentration will be projects related to infrastructure, water resources, livestock production and food processing. Imports that will be needed include equipment for earthmoving, road building and mining. Dependability is a key factor in the selection process, since after-sales repair facilities are inadequate in Upper Volta. Opportunities also exist for consulting and engineering firms, especially those with French-speaking personnel.

The market for consumer products is small but expanding. The best chance for U.S. firms are in furniture, airconditioners and used clothing.

A Voltan agent or representative can be valuable. Trade literature must be in French in order to be effective, but a local representative can produce translations from English materials if necessary.

U.S., ROMANIAN OFFICIALS STUDY WAYS TO EXPAND JOINT COMMERCIAL TIES

Important issues regarding trade and economic cooperation were explored at the recent session of the joint American-Romanian Economic Commission in Washington. The Romanian delegation also identified projects in which they would welcome the participation of U.S. companies.

The Romanian delegation was led by Deputy Prime Minister and Minister of Foreign Trade and International Economic Cooperation Ion Patan, while Secretary of Commerce Juanita M. Kreps headed the U.S. delegation. Patan also met with President Carter, Vice President Mondale, and high government and business officials.

The meeting in Washington this month was the fourth in a series held alternately in Bucharest and Washington. The Commission was established in December 1973 by the Presidents of both countries to broaden mutual economic relations.

In a statement following the session, Secretary of Commerce Juanita M. Kreps emphasized the U.S. commitment to expanding East-West trade. "Despite our limited and relatively recent entry into these markets," she said, "the United States has already realized significant economic benefits from East-West trade. In the past two years, the United States exported $6.7 billion worth of goods to the countries of the East. Since our purchases were less, we achieved a trade surplus of $4.7 billion.

"Trade between the industrialized West and these countries, however, amounted to more than $54 billion last year. The U.S. share of this total trade amounted to only 9 percent. I am convinced that the U.S. trade record will improve, given the abundant markets that the Eastern countries represent."

Focusing on Romania, the Secretary noted that "Romania ranks third in the volume of trade between the U.S. and the East, and this volume has grown steadily in the seventies, reaching a record high of $448 million last year. By the end of this year, we expect our total bilateral trade may well reach $600 million, and we fully hope to meet our goal of $1 billion by 1980 or earlier."

Principal Commission topics included:

► Current U.S.-Romanian trade levels and the potential for future trade, including the need to diversify the commodity and product structure of current trade;

► A number of financial issues, including Eximbank financing, CCC credits;

► A useful exchange of views took place regarding U.S. export control policy towards Romania;

► The development of cooperation activities including joint ventures and cooperation in third countries;

► The exchange of basic economic information and data and the facilitation of its further diversification and amplification;

► The importance of adequate business facilities and services for each other's firms and commercial personnel;

► The importance of contract fulfillment and accelerated commercial negotiations;

► The proposed International Trade Center in Bucharest, and

► Increased contact between companies, economic enterprises and research & design institutes of the two countries.

Projects in which the Romanians seek cooperation with U.S. firms include the production of turbines, high-speed motors and parts for heavy road equipment and electronic equipment; the recycling of iron from steel by-products; and the manufacture of heavy off-the-road dumping vehicles. In third countries, cooperation is sought for oil refineries, an acrylic fibers plant, a lubricating oils plant, and exploration of sulphuric gas deposits and copper deposits.

For further information on the Commission or these projects, contact Jay Burgess or Peter Hanley, Room 4324, Bureau of East-West Trade, U.S. Department of Commerce, Washington, D.C. 20230, phone 202-377-2645.

Calendar For World Traders

Nov. 28-30—New York—World Trade Institute seminars: Introduction to International Business Law; Export Documentation and Traffic; Current Developments in International Personnel Practices; and Joint Ventures in a Changing World.

Dec. 1—Cleveland—World Trade Assn. seminar on Iran and the Near East. Speaker: Donald Ryan, Commerce Action Group for the Near East.

Dec. 1—Boston—International Business Center of New England seminar on Financing Exports, Sonesta Hotel, Cambridge. Information: 617-542-0426.

Dec. 1—Memphis—Mid-South Exporters Roundtable, Hilton Airport Inn.

Dec. 1—Scottsdale, Ariz.—FCIB Forest Products Export Credit Group meeting, Registry Hotel.

Dec. 1-2—New York—Practising Law Institute's 17th Annual Advanced Antitrust seminar: International Trade and the Antitrust Laws, Sheraton.

Dec. 5—Knoxville—East Tennessee International Commerce Club, International Trade Mart.

Dec. 5—New York—Commerce's Randall Upton will speak at World Trade Institute seminar on Human Resources of Multinational Enterprises.

Dec. 6—New York—FCIB Roundtable Conference, Summit Hotel.

Dec. 7—Cleveland—World Trade Assn./ Commerce Dept. Export Workshop, Cleveland Plaza.

Dec. 7—Washington—U.S.-Yugoslav Economic Council's Fourth Annual Briefing Session on Trade and Investment with Yugoslavia, International Club. Among speakers: Sidney Harman, Under Secretary of Commerce.

Dec. 8—New York—Overseas Automotive Club luncheon meeting, Summit Hotel.

Dec. 8—Chattanooga—World Trade Council meeting, Chattanooga Choo Choo.

Dec. 8-9—Atlanta—Int'l Awards Dinner & Int'l Trade Development Conference, Hyatt Regency. Information: 404-524-8481.

Worldwide Business Opportunities

International trade specialists in the Department of Commerce and Foreign Service Officers in the U.S. Embassies and Consulates around the world are continually developing specific commercial opportunities through which American companies can find buyers, agents, partners or investors abroad. One of the major means for communicating these opportunities promptly and accurately to the U.S. business community is through the columns of this magazine.

The section that follows presents details about upcoming trade exhibits and trade missions, licensing and joint venture proposals, opportunities to sell to foreign enterprises, and details on major construction and expansion projects.

Licensing, Investment Abroad

1472—FRANCE—Seeks collaboration with U.S. investor to develop and operate **barium sulfate mine.** Owner reports his tests show there are 50,000 tons of high quality barium, and four additional locations nearby that merit further exploration. M. Henri Sollier, 28 rue Henri Fabre, 12000 Rodez. P-771015.

1700, 7349—SAUDI ARABIA—Joint venture arrangement sought to undertake **specialized construction services such as plumbing, heating, carpentry, flooring, air conditioning.** Firm also wants joint venture to provide **cleaning and maintenance services.** Representative of the firm is in United States for discussions with interested U.S. companies. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. Telephone: 202-377-4065. P-771025. OPIC.

2000—JAPAN—Firm seeks latest U.S. technology for **preparing and packaging convenience foods** for service at restaurants, cafeterias, coffee shops, etc. Established 1951, company is one of Japan's major coffee bean importers and distributors. It recently began to import and distribute orange juice. Distributes to 30,000 businesses; had 1976 sales of $154 million. Employs 200. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-771010.

2452—GERMANY—Seeks licenses to manufacture **prefabricated building parts.** Established 1912, firm employs 700; has annual sales of about $22 million. It engages in conventional construction, and construction with prefabricated parts for schools, hospitals, industrial and office buildings, shopping centers, plants, warehouses sewage plants, bridges, roads. Artur Hasel, Tech. Mgr., Karl Bold KG, Bauunternehmung, Rennwiese 1, D-7590 Achern. Telephone, 7841/651; telex, 752 256. P-771016.

2531, 2599—MEXICO—Small firm interested in licensing arrangements to produce **folding tables and chairs, movable platforms for restaurants, and other restaurant, cafeteria and bar furniture.** Salvador Ceron, Procei, S.A., Yosemite No. 72, Col. Napoles, Mexico 18, D.F. Telephone: 905-536-56-25. P-771017.

2869, 2865—INDIA—Seeks technology to establish plant to produce 360 metric tons of **dye intermediates** and 200 metric tons of **silicones** per year on a 3-shift basis. Plant site is at Taloja, Kolaba District, Maharashtra State; venture is estimated to cost $2.3 million. Established 1963, firm is public structural engineering corporation engaged in erection, fabrication of equipment for thermal power stations, fertilizer, steel and chemical plants. N. B. Tendolkar, Gen. Mgr., Chemical Div., Western India Erectors Ltd. (WEIL), P. O. Box 731, Sahyadri Sadan, Tilak Road, Poona 411 030. Telex, 0145-221; cable, ERECTORS, Poona. P-771018. OPIC.

3079, 3569—UNITED KINGDOM—Seeks licenses to manufacture equipment or plant for **chemical industry, especially fiberglass reinforced plastic or metal products, agricultural machinery,** or **vegetable handling equipment.** Founded 1851, firm employs 30 people, has annual sales of $175,000. Company employs process plant engineers specializing in pipe work, fiberglass reinforced plastic tanks, vessels, ductwork, agricultural machinery. R. H. Woods, Mng. Dir., Crambrook Woods Ltd., 8-9 Bolton St., Lavenham, Sudbury CO10 9RG, England. P-771019.

3272, 3448—VENEZUELA—Seeks to license technology to construct **prefabricated, low-cost housing using concrete, steel or aluminum,** from single family units to apartments of 15 floors. Will also consider purchasing and importing such buildings into Venezuela. To meet its objective of building 8,000 housing units per year, firm would like to receive following information: Description of system, type of plant, time required to produce one standard unit, cost of construction per sq. m., number of sq. m. produced per day. Company will evaluate this information and make offers to selected respondents. Firm is small general contractor and consulting engineering company backed by Banco de Los Trabajadores. Martin J. Padron, Arquitecto, Tecnica C.D. C.A., Avenida Andres Bello, Centro Andres Bello, Torre Oeste, Piso 6, Oficina 63, Caracas. P-771029. OPIC.

3272—VENEZUELA—Seeks joint venture with U.S. firm with **industrial housing construction** technology using concrete, to build **apartment units** up to 8 floors at rate of 1,000 dwelling units per year. Program may also include single family houses, and will include industrial park on 700 acres. Firm, which will maintain majority control, owns about 2,000 acres in Valencia with all Government development approvals. Company qualifies for all benefits of Venezuela's low-cost housing incentive program. It is an experienced real estate developer reported to have excellent financial backing. Adrian Hardy, Mgr., Promociones Urbanisticas Industriales, C.A. (PRUINCA), Aptdo. De Correso 50707, Caracas 105. Telex: 23586 BRUINVEST. WTDR. P-771028. OPIC.

3292—EGYPT—A leading Egyptian public sector company seeks joint venture with U.S. firm to manufacture **asbestos cement cellulose sheets.** Capital required is estimated to be about $2 million, and U.S. partner will be invited to participate in optional share of investment of between 20% and 49%. American partner will be expected to provide assistance securing equipment and technology. Minimum production capacity projected for plant is 5 metric tons per hour of sheets 1,200 mm. by 3,000 mm. with unpressed thickness of 4 to 12 mm. Egyptian firm will provide land, buildings, management, labor, marketing, and minimum of 51% of capital. Engineer Salah El Tawil, Chmn. and Mng. Dir., Tawilco Engineering, 5, Orabi Sq., P.O. Box 26, Alexandria. P-771020. OPIC.

3295 — ICELAND — Seeks joint venture arrangement for exploitation and marketing of **pumice, scoria, and basalic sand deposits** in Southern Iceland. Pre-feasibility studies indicate that deposits may run to hundreds of millions of tons, mostly of very good to excellent quality. Firm would eventually like to manufacture building units and insulating material. Svavar Jonatansson, Mng. Dir., Jardefnaidnadur Ltd., Fellsmuli 26, Reykjavik. P-771008.

3300—BELGIUM—Producer of structural steel, reinforcing iron, and hot and cold rolled plates, seeks licensing and/or joint venture arrangement to manufacture **fabricated steel products for European market.** Company has capacity of 2,700,000 tons of steel, employs 6,000 persons. J. Van de Steene, Gen. Mgr., Societe Metallurgique Hainaut-Sambre, B-6090 Couillet. WTDR. P-771027.

3423—BRAZIL—Small manufacturer and exporter of **hand tools** seeks U.S. joint venture partner with capital participation for expansion of its present manufacturing operations. American partner could acquire equity of up to 49 percent. Firm currently manufactures pipe wrenches, pliers, screwdrivers, punches, chisels, etc. Present plant site covers 1,200 sq. m. Proposed expansion would involve 5,000 sq. m. Lukas Retz, Dir., Metal Retz-Metalurgica Industria e Comercio Ltda., Rua Augusto Ferreira de Morais 51, 04763, Sao Paulo (SP). P-771026. OPIC.

3444, 3448, 3547—SWEDEN—Large firm composed of several manufacturing subsidiaries that produce pipes, heating and sanitary products, steel, building products, seeks licensing arrangements, suppliers of complete lines of equipment; desires to act as agent/distributor. Steel & Metals Division is interested in technical know-how and purchase of following: **complete lines of machinery for embossing steel and aluminum sheet for floor and roof decks; roll forming of steel decks, roofing, flooring and siding; automated line for manufacturing of pre-fabricated steel buildings; automated line for manufacture of joists and trusses; line for continuous coating of metal coil,** etc. Representatives of firm expect to visit U.S. Dec. 3–18. Hans Larsson, Dir., Development Div., Ahlsell & Agren, Steel & Metals Division, Fack,

Licensing and investment proposals from foreign firms are listed in these columns. Specific product interests in each proposal are highlighted in bold type to facilitate identification and each proposal is preceded by the appropriate four-digit product number taken from the Standard Industrial Classification (SIC) Manual.

Background information on opportunities abroad and assistance on overseas investments are available from the Overseas Products and Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. "P" numbers should be used when responding to any of the specific proposals listed.

WTDR indicates that a World Traders Data Report containing financial and background information on the foreign firm is available for $15 from the Export Information Division, Room 1033, U.S. Department of Commerce, Washington, D.C. 20230. WTDR request forms may be obtained from any Commerce District Office.

OPIC indicates that the country involved is eligible for investment insurance coverage and financing from the Overseas Private Investment Corporation. Information regarding applicable coverage may be obtained from OPIC, Washington, D.C. 20527.

S-402, 50 Goteborg. Telex: 2280. P-771024.

3535—SPAIN—Manufacturer of **conveyors, cement mill equipment and bucket elevators seeks licenses,** joint venture agreements with U.S. engineering firms willing to utilize its production facilities. Company has metallurgical and equipment assembly plant in heavily industrialized area near Bilbao. It can fabricate machinery weighing up to 40 tons. Has been manufacturing for Danish, Swedish, German engineering companies located in Spain. Employs 250. Jorge Tena, Metalurgica y Mecanica Moderna S.A. (MYMSA), Dr. Areilza 44, Bilbao. Copies of firm's product brochures are available from Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D. C. 20230. P-771012.

3542—GERMANY—Firm interested in acquiring licenses from U.S. manufacturers of **forging and wedge presses,** with pressing capacities not lower than 600 tons. Company would also consider licensing agreements for other types of heavy machine tools. Presently manufactures mechanical presses, horizontal upsetters, precision forging hammers, forging rolls, hydraulic presses. Would consider joint venture agreement with U.S. manufacturer of these or similar products to utilize its excess plant capacity. Employs 600. Lothar Hoffmeister, Mng. Dir., EMUCO AG, Postfach 100360, Josefstr. 10, D-5090 Leverkusen 1. P-771031.

3559—GERMANY—Seeks to exchange licenses with U.S. manufacturers and distributors of **pneumatic and solid tire testing machines.** American firms already established in Canadian and South America markets are preferred. German concern produces, sells horizontal tire testing machines (up to 6 testing stations), vertical tire testing machines, high speed measuring hubs for passenger car tires and testing stands for motorcycles and bicycles. Employs 160. Warner Hasbach, Gebr. Hasbach KG., Paffrather Str. 132-134, 5060 Bergisch Gladbach 2. P-771021.

3559—SWITZERLAND—Seeks licenses to produce equipment to make following products: **ballast coils for fluorescent lamps, micromotors for electrical toys and ironless micromotors, small transformers and induction coils, cable assemblies, commutators, shade pole motors, step and linear motors, iron cores for power transformers and electrical parts and components for automobiles**—in particular starter motors and rotors for alternators. Firm also offers licenses for production of its equipment in U.S. Machinery includes winding machines for transformers, oil processing, drying and impregnational equipment, motor manufacturing and vacuum drying apparatus. Employs 1,000, markets worldwide. Sound financial standing. Peter W. Scheibli, Sales Mgr., Statomat-Micafil AG, Badenerstr. 780, CH-8048 Zurich. Telex: 52.560. P-771022.

3559—UNITED KINGDOM—Manufacturer of special purpose machinery wants to diversify. Seeks licenses to manufacture equipment for **rubber, solid waste materials handling and mining industries.** Products of particular interest include molding and injection machines, environmental control equipment, hydraulic shears, baling and tying presses, winches, special mining cars, car and truck tipplers and general mining machinery. Established 1901, firm employs 200. M. J. Banbury, Dir., G. P. Banbury Ltd., Factory Lane, Croydon CR9 5DE, England. P-771013.

3622, 3822—GERMANY—Firm seeks licenses with American manufacturers for production of **controls products for automotive and household appliance industry.** Firm is subsidiary of Eaton Corp., Cleveland, Ohio. Dipl.-Ing. Guenther Cramer, Product Planning Mgr. of Controls Division, Europe, Eaton GmbH & Co. KG, P.O. Box 1140, D-7778 Markdorf. Telephone, 7544/10275; telex, 734628. P-771009.

3650—INDIA—Seeks joint venture to manufacture **free standing key to tape units and key to disk cassette equipment.** C. N. Doshi, Jatin Electronics Pvt. Ltd., 10 S.D.F. Bldg., Santa Cruz Electronics Export Processing Zone (SEEPZ), MIDC Marol Industrial Area, Bombay 400 096. P-771014. OPIC.

3662—UNITED KINGDOM—Firm seeks licenses for manufacture of **time division multiplex telemetry systems,** having central processor and 10 to 15 substations. Approximately ten information channels per station are required, at slow speed data rate of 200 to 300 bits per sec. J. S. Ford, Foster Transformers Ltd., The Path, Morden Road, Wimbledon, London SW19, England. Telephone: 01-542-2211. P-771007.

3823—INDIA—Seeks license, joint venture to manufacture **electrical actuators used in control of industrial valves.** Firm is parent company of Star Group consisting of seven companies engaged in production of chemicals, motorized valves, printing machines, textile testing equipment and other items. Company plans to establish facility to initially make 1,500 actuators annually. Production will be increased to 4,000 units annually over 5 years. Proposes to export about 25 percent of production to customers in Asia. U.S. participant is requested to contribute technical knowhow and equity in proposed project. J. H. Dalal, Dir., Star Trading Co. Private Ltd. (STPL), Dhanraj Mahal, Apollo Bunder Road, Bombay 400 039; cable, STARTRADE-Bombay; telex, 011-2654. Further details available from Overseas Products and Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-771011. OPIC.

3949—INDIA—Leading manufacturer/exporter of **belts, buckles, cuff links and wallets** seeks to represent U.S. firms. Company has recently received franchising rights from 1980 International Olympic Ass'n. to use its symbol for commercial purposes. Firm is Government of India registered export house. Representative of Indian concern will be in U.S. Nov. 15-Dec. 15. He is particularly interested in meeting with U.S. manufacturers of specialty sports goods and novelties. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-771030. OPIC.

7011—ST. LUCIA—American investment is sought for **tourist development project** comprising 50 acres on the island's southwest side on Caribbean Sea. Cottages, dining facilities, convention space, swimming pool, tennis courts, lake will initially be included in complex. Additional information available from Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Deepartment of Commerce, Washington, D.C. 20230. John B. Goddard, John B. Goddard & Co. Ltd., P.O. Box 369, Castries, St. Lucia, W.I.; cable, SLIEA; telex, 331 St. Lucia. P-771023. OPIC.

Licensing In U.S.

For additional information on these opportunities to manufacture foreign firms' products in the United States under a licensing agreement, write to the Domestic Investment Services Staff, Bureau of International Commerce, Room 4020, U.S. Department of Commerce, Washington, D.C. 20230 (202-377-5361), referring to the appropriate file number.

Investment

GERMANY—Springs for automotive industry (cars and trucks). Firm is offering advanced know-how as well as sophisticated spring manufacturing process, a leader in its field. Firm maintains production plants in Europe and South America, where it supplies leading truck and car manufacturers. Wolfgang B. Sammel, Geramco AG, International Projects, Peter-Roos-Str. 9, 4000 Duesseldorf 11 (Oberkassel). File 3601.

Joint venture

GERMANY—Oil paintings. Group is interested in setting up air freight channel to small- to medium-sized manufacturer of high quality traditional and rustic frames that will mount, prepare and market or arrange marketing of framed paintings of German painters. Hans Walbroehl, 6252 Diez-Lahn, File 3602.

Joint venture/licensing

GERMANY—Hydraulic pressure and test pumps. Manufacturer is interested in finding licensing partner for part of its line. Company was established in 1921, presently has staff of 25. Gerd Roecker, Bus.

Mgr., Hochdruck-Hydraulik Pumpen und Anlagenbau GmbH, P.O. Box 1420, Lange Str. 29, D-7417 Urach 1. File 3603.

SWITZERLAND—Patented swimming pool covers of PVC coated manmade fabrics. Advantages are: reduction of operation time of ventilation system (air conditioning), corrosion and heating expenses, and allows very low water evaporation. Ch. Gygax, Gygax AG, Ch-4800 Zofingen. File 3604.

UNITED KINGDOM—Polishes for shoes, floors, furniture, silverware, leather, metal. Manufacturer is interested in entering into U.S. joint venture or licensing manufacturing and marketing arrangement with U.S. company. Firm was established in 1770, has 100 employees. M. L. Lawson, Mng. Dir., Carr & Day & Martin Ltd., Newton Works, Stortford Rd., Great Dunmow, Essex. File 3605.

Licensing

AUSTRALIA—Patented spring bending machine for forming eyes in spring leaves with other possible applications in making large hinges, U bolts, hook bolts and straps, and other heavy duty hardware involving "eye", "hook" or "U" forms. R. F. Dobinson, Dobinson Spring Works, 290 Murray St., Rockhampton, 4700, Queensland. File 3612.

AUSTRALIA—Patented hydraulic self-loading/unloading device for light trucks that lowers truck bed to ground in level position and lifts entire bed and load (up to 270 lb.) back onto truck. Keith O. Rolfe, Box 22, Goovigen, Qld., 4702. File 3613.

AUSTRALIA—"Jiffy modular floors." Provisionally patented cold rolled galvanized high-tensile steel membered, ply of particle board surfaced, prefabricated system. Floor covering is glued directly to steel members lending substantial additional rigidity to module. Inventor claims simple "bolt together" assembly procedure saves considerably on labor costs and in some applications, modules can save on shipping costs over conventional flooring components. R. R. Bates, 21 Targo St., Bundaberg, 4670, Queensland. File 3614.

AUSTRIA—Special ammunition magazine. Company offering licensing for its invention. Dkfm. Gerhard Muck, Peter Jordanstr. 159/2/2, A-1180 Wien. File 3606.

FRANCE—Remote control system for electronic transmission and switching. System has industrial, administrative, commercial applications. Mr. Maillet, Dir. Commercial, Techniphone S.A., B.P. 58, 69399 Lyon Cedex 3. File 3607.

FRANCE—Architectural structure. Architect is looking for U.S. firm interested in manufacturing under license or in buying its process for new type of prefabricated shell comprised of four easily transportable parts that resists earth tremors and saves energy. Jean Louis Fontaine, Architect, 37 Quai de la Tournelle, 75005 Paris. File 3608.

GERMANY—Carburetor accessory unit which improves combustion process in automotive engines. Inventor claims its application reduces gasoline consumption by 20-25%, increases engine power by 4%. Rolf G. Schuessler, Mgr., GLS GmbH, Sprendlinger Landstr. 178, 6050 Offenbach. File 3609.

GERMANY—Fusion adhesives for furniture industry. Wilhelm Eib, Mgr., Chemische Fabrik L. Zimmermann, P.O. Box 7480, D-7417 Pfullingen. File 3610.

GERMANY—Flowmeters, level indicators, flow controllers. Josef Pfeiffer, Mgr., Josef Heinrichs Messgeraetebau, Stolberger Str. 393, 5000 Koeln 41. File 3615.

GERMANY—Men's suits. Firm seeks American partners, employing about 500, with distribution channels throughout U.S. to produce under license its high-fashion men's suits. K. Jud, Asst. to Mgr., Hugo Boss GmbH, Kleiderfabrik, Dieselstr. 12, D-7418 Metzingen. File 3616.

GERMANY—"Spaetzle" dumplings. German company will provide special machinery for production of dumplings. Erwin Bechtle, Owner & Mgr., Bechtle Teigwarenfabrik, D-7400 Tuebingen-Ammerbuch 2 (Pfaeffingen). File 3617.

GERMANY—Candle specialties. Investor/designer is offering patents, know-how, personal assistance to interested U.S. firms in production of outdoor candles, floating candles, novel, holiday, special candles with long-burning wicks for third country markets. Hans-Ludwig Schirneker, Technische Neuheite, Engelslit 10, 4773 Moehnesee-Voellinghausen. File 3618.

GERMANY—Drain pipe with built-in dirt collection chamber. Patented equipment used predominantly on public and private buildings fitted with rain drain gutters and pipes. U.S. Patent No. 3,628,668. Max Huppert Sr., Mittbachweg 38, D-6480 Waechtersbach. File 3619.

GERMANY—Shutters, blinds, other shade equipment. Products are sound-, heat- and cold insulated. Mr. Mahrdt, Mgr., Mahrdt & Kreis, Lichtensteinstrasse 7, D-7400 Tuebingen. File 3620.

MALTA—Solar heating of water. Single tank with only one moving part—a ball cock valve. Solar collector area is 32 sq. ft. Size of tank and proportions of hot and cold water parts can be varied to suit different applications. Suitable for sitting on or in roof or on south-facing wall. Firm is looking for companies in U.S. to manufacture, install, and service the solar tanks. William Carlton, Villa Tas-Silg, Tas-Silg, Marsaxlokk. File 3611.

SWITZERLAND—Patented window cleaning device for cleaning of windows up to 80 ft. high, without having to use scaffolds and similar auxiliary items. Device is lightweight, expandable aluminum structure which can be handled easily by operator; has built-in water supply hose. Whole system reportedly can be assembled within 12 minutes. Roland Moesch, Strato-Gerate, Burghaldenweg 30, 5313 Klingnau. File 3621.

UNITED KINGDOM—Positive displacement pumps. H. C. Ruffle, Exec. Chrmn., Syltone Ltd., Park Gate House, Church Bank, Bradford BD1 1BS, West Yorkshire (mark correspondence: Drum Engineering Inc., U.S. Operations). File 3622.

UNITED KINGDOM—Rotary vane type compressors and blowers. H. C. Ruffle, Exec. Chmn., Syltone Ltd., address above. File 3623.

UNITED KINGDOM—Hydraulic systems and valves. H. C. Ruffle, Exec. Chmn., Syltone Ltd., address above. File 3624.

The following trade opportunities are based on reports received from the U.S. Foreign Service—Department of State by the Trade Opportunities Program, Room 2323, U.S. Department of Commerce, Washington, D.C. 20230. The commodities in which foreign firms have interest indicated by codes 0111-1799 and 4011-8999 are based on the Standard Industrial Classification Manual, 1972; codes 20 through 39 come from Numerical List of Manufactured Products (New 1972 SIC Basis), MC72-1, 2. Codes beginning with 99 are from the TOP coding system.

U.S. firms should be aware that the listing in Commerce America *of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the Department of Commerce pursuant to the Department's Export Administration Regulations. Applicable export licensing regulations must be followed.*

Every effort is made to include only traders with good reputations. However, the Department cannot be responsible for any trade relations.

WTDR indicates that a World Traders Data Report on this specific firm is available at $15 from the Export Information Division, Room 1033, U.S. Department of Commerce, Washington, D.C. 20230. A WTDR is a trade profile which contains commercial information including financial references, on an individual foreign firm. Orders must include complete name and address of the subject firm and be accompanied by payment. Further information concerning WTDRs and request forms are available at each Commerce District Office.

Direct Sales

Converted paper, board products

2641312 — NETHERLANDS — Masking tape, initially direct sale opportunity with possible future exclusive agency or representation. Private co., estab. 1945, employs 7 plus 5 traveling salesmen. Acts as importer/distributor of paint sundries & various other products in do-it-yourself field. 300 sq. meters of storage & showroom space. Advertises by mail. Represents 2 German companies. Wishes to extend its line. Annual sales volume dfl. 1.5 million. Bank ref.: Slavenburgs Bank N.V., Barendrecht. Reply to—M. Versluis, Handelsonderneming A. Versluis B.V., P.O. Box 90, Gebroken Meeldijk 108, Barendrecht, Netherlands. Tel. 01808/3158.

Industrial chemicals

2812115 — GUATEMALA — Opportunity for direct sale to end-user of chlorine, for water purification. Firm is developing 3 subdivisions—"Balcones de San Cristobal," which together will house 95,000. Another subdivision to house 60,000 also planned. Interested in obtaining above products for own use & also with view to representation. Authorized capital $10,000, with annual sales volume $450,000 & 20 employees. Reply to—Yehudi Sabbagh, Cia. de Agua San Cristobal S.A., 7A Avenida 11-71, Zona 9, Guatemala City. Tel. 313008.

2813498—NORWAY—Importer, distributor of fire fighting equipment, plumbing fittings, central heating systems & related equipment wishes to buy Halon 1301 gas for fire fighting equipment, in containers of about one ton, about 25 tons/yr. Estab. 1877, has 145 employees. Ref.: Den Norske Credit Bank, Oslo. Contact Mr. Oicren,

Purchasing Mgr., Sunde & Co. A/S, Ulvenveien 89, Oslo 5. Tel. 02 67 77 84; cable ESCO; telex OSLO 11107.

Steel mill products

3312000—NEPAL—Supply & delivery of well casing & screens for approx. 70 irrigation wells. Financed with World Bank-IDA loan. Bid docs. comprising instruction to bidders, bid form, conditions of contract, tech. specs. & schedule of prices available from below address upon payment of nonrefundable nrs. 3,000.00 (U.S.$241.00 approx.) for each triplicate set, & must be obtained prior to submitting offers. Bids will be received from mfrs. or from agents acting on their behalf. Certificate of agency shall be annexed to bid form by agent submitting bid on behalf of mfr. Each bid must be accompanied by bid bond, executed in form prescribed in instructions to bidders. Bids shall be considered on basis of prices, time of delivery, working characteristics & reliability, as may be appropriate. Successful bidder will be required to sign agreement with Bhairahawa-Lumbini Groundwater Project & to provide performance bond in form attached to tender doc. Required equip. to be supplied & delivered within 8 months from date signing agreement. Obtain bid docs. from—Project Mgr., Bhairahawa-Lumbini Groundwater Project, Baluatar, Kathmandu, Nepal. Refer to contract no. ICB-3. Bid deadline Dec. 22.

Nonferrous metals, rolled & drawn

3353351—KENYA—Direct sale opportunity for aluminum foil paper. Reply to—David M. Evans, Compass Ltd., P.O. Box 46222, Nairobi.

Construction machinery

3531900—INDIA—One simple blade shield with accessories & spare parts for driving 4,700mm diameter horseshoe tunnel in lake sediments at Loktak Hydroelectric Project in Manipur State. Source of financing not yet decided. Tender docs. available for RS 50 (approx. $5.50) in check made to order of National Hydroelectric Power Corp., from S. N. Agnihotri, Chief Engineer, National Hydroelectric Power Corp. Ltd., Manjushah, 57 Nehru Pl., New Delhi 110024. Refer to bid no. NH/CW/1/77. Bid deadline Jan. 16.

Special industrial machinery

3551349, 9913211—DOMINICAN REPUBLIC—CEA is seeking US$50 million loan from World Bank to modernize its operations. British firm has finished study which indicates CEA will need to invest US$300 million in near future to modernize. Equipment needed will include sugar mill equipment & replacement parts, electricity generating equipment using bagasse, & equipment to produce animal feed & other products from bagasse. Firms should send catalogs & other printed promotional materials to German Gomez Torres, Dir. Ejecutivo Consejo Estatal Del Azucar (CEA), Centro De Los Heroes, Santo Domingo. Telex RCA 326113; ITT 3460016; tel. 533-1161.

3559385—BOLIVIA—Neon plastic sign making machinery. Quotations c.i.f. Matarani, Peru. Reply to—Industrias Bolivianas Unidas S.A., Julieta Inojosa de Ortega, Casilla 640, La Paz. Cable IBUSA.

Electric transmission, distrib. equip.

3612238-777—EL SALVADOR—Two 60,000/80,000/100,000kva 3-phase, 60 hz, 120kv wye to 13.2kv delta power transformers, with spare parts. Financed by govt. & IDB loan. Bid docs. available for $30 (75 colones) from Harza Engineering Co., 150 Wacker Dr., Chicago, or Comision Ejecutiva Hidroelectrica Del Rio Lempa—CEL, Calle Poniente No. 950, Cento De Gobierno, San Salvador. Refer to bid no. CEL-551. Bid deadline Feb. 1.

3613100, 9918203—MALAYSIA—Tenders invited for design, mfr., testing, supply, shipment to Port Klang, delivery to respective sites, complete site erection, setting to commercial operation & maintenance for 12 months of 132kv & 11kv switchgear & ancillary equipment for following stations—Shah Alam S. substation; Subang Jaya switching station; CB.P.S. substation. Requests for tender docs. must be accompanied by check or bank draft for M$100 (plus M$25 for foreign mailing) made payable to Chief Accountant, Natl. Electricity Board (US$1 approx. M$2.50). Obtain bid docs. from—Sr. Purchasing & Contracts Officer, National Electricity Board, P.O. Box 1003, 129 Jalan Bangsar, Kuala Lumpur 22-06. Refer to tender no. 14616. Bid deadline Jan. 23.

3613100 — MALAYSIA — Tenders invited for supply & delivery 66kv, 33kv & 11kv switchgear & ancillary equipment for University Kebangsaan Malaysia 66/11kv substation & Subang Jaya 33/11kv substation. Requests for tender docs. must be accompanied by check or bank draft for M$100 (plus M$25 for foreign mailing) made payable to Chief Accountant, Natl. Electricity Board. Obtain bid docs. from—Sr. Purchasing & Contracts Officer, National Electricity Board, P.O. Box 1003, 129 Jalan Bangsar, Kuala Lumpur 22-06. Refer to tender no. JMK/14582. Bid deadline Feb. 17.

Important Notice

Most member countries of the League of Arab States employ a secondary boycott against foreign firms which undertake certain specific types of business relationships with the State of Israel. The Commerce Department will not disseminate nor make available for inspection any tenders or trade opportunity documents which contain conditions intended to support such boycotts, or which are based on documents known to contain such provisions. Trade or investment opportunities published herein are not presently known to be subject to such conditions. However, it is possible that U.S. firms responding to opportunities from Arab countries may be asked at some stage of a transaction to participate in an Arab boycott-related restrictive trade practice as defined in the Department's Export Administration Regulations (15 CFR, Part 369 et. seq.).

Firms are reminded that it is the policy of the United States (a) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (b) to encourage and request U.S. concerns engaged in the export of articles, materials, supplies, or information to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting such restrictive trade practices or boycotts. Accordingly, U.S. concerns receiving such requests to participate in a restrictive trade practice or boycott are encouraged and requested to refuse to comply with them.

Firms are further reminded that U.S. concerns receiving requests to participate in a restrictive trade practice or boycott must report such request to the Department of Commerce in accordance with Section 369.4 of the above-cited regulations.

Electrical industrial apparatus

3621400—GREECE—Supply & installation at Linoperamata, Heraklion, Crete, 2 steam electric power units, 25mw each. Financed from procuring agency's budget. Obtain bid docs. from—Public Power Corp. (PPC), Purchasing Dept., 55 Stournari St., Athens 102. Refer to bid no. DMKT-113/114/B. Bid deadline Jan. 10.

Electric lighting, wiring equipment

3643000, 3264017, 3612200-3112, 3825100-376 — INDIA — Aluminum conductors: 25 mm2aac—250,000 km; 30 mm2acsr—6,700 km; 50 mm2acsr—6,700 km; 100 mm2acsr —400 km; 3-phase distribution transformers, 11kv/250 v. 100 kva—650 nos.; 63 kva —650 nos.; 25 kva—1,350 nos.; 33/11 kv power transformers, 3mvs—20 nos.; 1.6 mva—20 nos.; 11 kv circuit breakers, 150 mva, 400 amps, 80 nos.; insulators & hardware fittings 33 kv porcelain pin 2,500 nos. each; strain insulators (b&s) type 1,200 nos.; hardware fittings 400 nos.; 11 kv porcelain pin insulators & pins 115,000 nos each; 11 kv porcelain strain insulators (b&c) type & hardware fittings 25000 nos each; lt 415 v. porcelain pin insulators & pins 240,000 each; lt 425 v. porcelain shackle insulators & hardware fittings 120,000 each; lt shunts, kvar 2000 nos.; kvar 700 nos.; kvar 300 nos.; energy meters, single-phase 2 w 240 v-10 am nos 50,000; 3 phase 4w 10 amps. 16,000; 3 phase 4w 30 amps. 2,500. Above items for rural electrification program, financed by Intl. Dev. Assn. Obtain bid docs. for RS 100 ($11.53) from Electrical Superintending Engineer (P), Bihar State Electricity Board, Vidvut Bhavan, Bailey Rd., Patna-1, Bihar, India. Refer to bid no. IDA/REC/BSEB (S&P)-2. Bid deadline Jan. 6.

Communications equipment

3661100 — IRELAND — Supply, install, commission & test telephone exchange equipment at Mullingar, Co. Westmeath, in accordance with specs. no. TS 771. Financed by central govt. funds. Obtain bid docs. & specs. from—Engineer-in-Chief, Dept. Posts & Telegraphs, Contracts Sect., Marlborough St., Dublin 1. Refer to bid no. C/610/1/31. Bid deadline Jan. 31.

3661213—PAPUA NEW GUINEA—Supply, installation, maintenance & personal training for tropospheric scatter radio relay systems with terminals at either end of 200-mile link & 300-mile link. Each link to have capacity for 24 telephone channels with allowance for further expansion. Obtain bid docs. from—Chairman, Supply & Tenders Committee, Dept. Public Utilities, P.O. Box 171, Port Moresby, Papua New Guinea. Refer to T & TSO. Bid deadline Dec. 25.

3662200—YUGOSLAVIA—5 fm transmitters 1 kw/50 ohm, which must be equipped with stereo-generator, as well as with SCA generator. Price should incl. also basic package of spare parts (final tube all solid state elements for exiter); 2 connecting filters (3 plexer) 3 x 1 kw (50 ohm); design of 3 plexers must permit later instal-

lation of additl. units; 2 dummy-loads 1 kw with measuring connection z equals 50 ohm; antenna system vhf-fm for circular polarization (pmin equals 5 kw); antenna system should be broad wavelength (37.5 mhz-108 mhz) so that applicable frequency zone can be reduced to min. plus or minus 5 mhz around med. frequency; 1 measuring transmitter-signal generator (qthz-1000 mhz). Fm transmitters must correspond to all tech. characteristics required by regulation on tech. operating conditions for radio broadcasting station for fm broadcasts. For any tech. explanations contact address below. Refer to Official Gazette Yugoslavia no. 49, Oct. 7, 1977, no LJ 1078. Obtain bid docs. from—Eng. Suster, Rtv. Ljubljana, Oddajniki In Zveze, Tavoarjeva 17, 61000 Ljubljana. Tel. (061) 311-922; telex 31118 YU RTVAL. Bid deadline Jan. 7.

3662690, 3541800-6100-9300-9400, 3553100, 9950016—INDONESIA—Ministry of Manpower, Transmigration & Cooperatives through Project Implementation Unit (P.I.U.) is embarking on expansion program vocational training centers which will be financed under IBRD loan no. 1237-IND in various currencies equivalent to US$37 million, of which $19,070,000 has been allotted for above program. As first step it will re-equip & upgrade 4 instructor training centers for approx. $550,000 followed by second step estab. 17 new vocational training centers & 25 mobile training units later next year. Supplies required could be categorized as follows—machine tools, welding equip., electrical/electronic equip., automotive equip., building/woodworking equip., commercial training equip., language laboratory & hand tools. Mfrs./suppliers from member countries of World Bank & Switzerland or their reps. in Indonesia invited to participate in bidding. Import restrictions which would normally apply to any items of equip. specified are waived for project. Bidding docs. for equip. of instructor training centers must be obtained by Jan. 3. Explanation to interested bidders will be held on Jan. 14 at address below. Obtain bid docs. from—Project Implementation Unit (P.I.U.), Min. Manpower Transmigration & Coop., Jalan Hadji Agus Salim No. 58, 4th Fl., Jakarta Pusat, Indonesia. Refer to bid no. 01/PROC/PIU/77. Bid deadline March 2.

Electrical mach., equip., supplies

3691281—ETHIOPIA—Sealed lead acid batteries—30 pcs., 24v 25-30ah; 10 pcs., 24v 50ah; 10 pcs., 48v 50ah; 10 pcs., 24v 80ah; 10 pcs., 24v 100ah; 15 pcs., 24v 150ah; 20 pcs., 24v 175ah; 20 pcs., 24v 260ah; 20 pcs., 24v 400ah. Price must be c.&f. Assab for shipment by ocean freight. Supplier shall guarantee to repair or replace defective materials up to 18 months after receipt of materials. Bid bond of Eth. birr 2,000 (US$966.20) by first class bank or insurance co. must accompany bid. Payment shall be made 100 percent cash against docs. through commercial bank of Ethiopia. Obtain bid docs. from—Gen. Mgr., Telecommunications Service of Ethiopia, P.O. Box 1047, Addis Ababa. Refer to bid no. 18/77. Bid deadline Dec. 29.

Motor vehicles, equipment

3711111—MALAGASY REPUBLIC—Supply 95 light-van utility cars, divided into 2 separate lots as follows: Lot 1—25 light-van utility cars; 1,800-2,700 lbs. total loading weight; 3-5 hp (French); min. no. seats—2; & parts & accessories, composed of complete series wrenches; lifting jack; wheel-crank; spare tire. Lot 2—75 all-terrain light-van utility cars with same specs. as lot 1, & same parts & accessories required for lot 1. Interested firms may bid on both or either lots. Financed by World Bank. IBRD/IDA terminology for this project is Education II. Bidding language French. Bidding docs. must be obtained from Embassy of Democratic Republic of Madagascar, 2374 Massachusetts Ave. NW., Washington, D.C. 20008, prior to submitting offers. Refer to Avis D'Appel D'Offres International (Fourniture De 95 Vehicles). Submit bids to—Monsieur Le Secretaire Gen., Ministere Des Travaux Publics, Bureau No. 215-A, Boite Postale 295, Antananarivo, Madagascar. Bid deadline Jan. 18.

TOP Bulletin

An activity of the Commerce Department Trade Opportunities Program, the "TOP Bulletin—An Advisory Service," is designed to assist U.S. exporters and export service organizations.

The Bulletin provides a weekly compilation and index of all trade opportunities processed in the Commerce program. It is offered on an annual subscription basis, at a fee of $100 per year, through the Commerce District Offices.

The Bulletin supplements, rather than replaces, the TOP Notice Service, under which subscribers receive trade opportunities in the specific industrial, commodity or service field of direct interest to them. It is aimed at manufacturers with a wide range of goods or services that desire a consolidated export trade lead source; at export management firms that handle a large variety of products or services; at banks, port authorities, chambers of commerce and other trade development agencies interested in international business information; and at export service organizations, such as shippers, freight forwarders, and engineering and consulting firms.

The trade opportunities generated by Commercial Officers at U.S. Embassies and Consulates around the world thus reach U.S. enterprises in four ways; through the TOP Notice Service, in the pages of *Commerce America* and *Commerce Business Daily*, and in the TOP Bulletin.

Engineering, laboratory, scientific research instruments

3811200, 3572020-4100, 9950016 — PAPUA NEW GUINEA—Equipping of technical college, 2 teachers' colleges, health services college & 5 rural vocational schools. Tender includes full range of laboratory equipment, educational materials & office equipment. Bids will be due on Jan. 11. Register with—Arch McArthur, Off. National Projects Coordination, Dept. of Finance, P.O. Wards Strip, Port Moresby. Refer to WORLD BANK IDA 661.

Construction

9910100—ALGERIA—Engineering study, supply of equipment, construction & starting up of 5 integrated distribution plants, "secondary deposits"; 2 integrated distribution plants, "primary deposits"; 1 LPG bottling plant. SONATRACH advises that overall planning involves construction of 31 integrated distribution plants for gas products (fuels, bitumens, lubricants), including 7 plants in this tender. Offers to remain valid 120 days past bid deadline. Offer & correspondence in French; all specs. metric. Tender docs. available for 200 DA ($48.64) from Div. Commercialisation, Direction Du Marche Interieur—DRI, SONATRACH, Immeuble El-Djemila 1, Place El-Qods, Hydra, Algiers. Telex DPI 57799 DZ. Refer to bid no. A.O.I. 2/77. Bid deadline Dec. 30.

9911203—KUWAIT—Kuwait Technological Institute seeks to expand its present facilities & training programs into fields of petroleum testing & high tension electricity transmission. Invitation to tender has been announced for turnkey projects for laboratories & training facilities in both areas. Similar tender invitations are to follow in fields of electronics, power generation equipment, & construction technology. Frims bidding on these proposed projects must by Kuwaiti law have local agent or partner. A number of local firms have contacted the U.S. Embassy about establishing either joint venture or agency relationship with U.S. firms to pursue these projects; contact U.S. Embassy for names of these firms. Obtain tender docs. from—Central Tenders Committee, P.O. Box 1050, Kuwait.

9911203, 3662692, 3811200, 9950016—SAUDI ARABIA—Ministry of Education, Laboratory Dept., needs 100 high school laboratories, 20 each in following fields: physics & natural, chemistry, biology, mathematics, language. Each lab will accommodate 32-40 students. Ministry is receiving company names & lists of products & services, & collecting ideas & offers. Tenders will come out 1977/78. U.S. firms advised to have local agency follow up, or contact—Deputy Minister of Education, Ministry of Education, Riyadh.

9913107, 3732717 — EGYPT — Building & delivery of 2 diesel-driven service boats not less than 6 tons each for bollard pull dredging service & salvage work. Tender docs. available for US$300 per copy from—Suez Canal Authority, Procurement Dept., Ismailia, Egypt. Bid deadline Jan. 10.

9913299 — ALGERIA — Construction of 3 "product in hand" dry baby food plants. Offer & correspondence in French; all specs metric. Tender docs. in French available for 200 DA ($48.64) from Direction Du Development, Sn. Sempac, 26, Rue Ayachi Mohamed (Ex Rue De Suez), Belcourt, Algiers. Bid deadline Jan. 30. Tel. 66.24.84 & 66.27.62.

9914199—EGYPT—Supply of 1 complete line for mfg. coiled spring steel, diameter from 16-50mm & of varied lengths. All offers must be submitted through registered commercial agent, & include provisional guarantee of 2 percent of total value of tender. Offers must remain valid until May 31. Tender docs. & specs. available for L.E. 30 (U.S.$42.85) per copy from Spring & Transport Needs Manufacturing Co., 8 El Massaneh St., El-Ammeria, Cairo. Refer to tender no. 2/77. Bid deadline Dec. 31.

9915502-3—LIBYA—Tenders invited for Stage 1 improvements to water treatment of Sebha sewerage. Tender is indivisible. Financed by Libyan Govt. through Libyan commercial bank. Offers must be accompanied by initial guarantee of 1 percent of total value of bid & certificate showing company's experience & regulations under which it was established. Companies not represented by local firm may register with state-owned firms which may act as agent. Tender docs. & specs. available for LD 500 $1,700) from Sebha Municipality,

Sebha, Libya. Refer to bid no. 22/77. Bid deadline Dec. 31.

9918102—PARAGUAY—Construction Yacyreta-Apipe Hydroelectric Project & subprojects, on Parana River 400 km S. Asuncion, Paraguay. Entidad Binacional Yacyreta-EBY is joint Paraguayan-Argentine administrative entity which represents Administracion Nacional De Electricidad-ANDE (Paraguayan) & Agua Y Energia Electrica (Argentine), electric power utilities. EBY responsible for construction Yacyreta-Apipe Hydroelectric Project at est. total cost $2.8 billion. EBY calls for prequalification firms or consortia of firms for construction major civil works related to this project. Tender is public & intl. & directed to firms & consortia highly specialized in construction large hydroelectric projects. EBY presently negotiating with World Bank & Inter-American Dev. Bank to acquire financing for works in this tender. Specs. must be purchased at EBY in Asuncion for guaranies 50,000 per set; additl. sets guaranies 37,000 each. Also available in Buenos Aires Entidad Binacional Yacyreta, Calle Junin 1060, Piso 6, Buenos Aires, for Argentine pesos 150,000 per set; addtl. sets Argentine pesos 100,000 each. Interested firms should designate Buenos Aires address for purposes of this prequalification. Firms wishing to apply for prequalification must have completed construction of similar project with value of at least $150 million. Prequal. deadline Feb. 2. Obtain specs. from—Dr. Magno Ferreira Falcon, Entidad Binacional Yacyreta, Direccion Financiera, Calle Humaita 357, Piso 2, Asuncion, Paraguay.

9918201-2, 3612777, 3621400-700-800—AUSTRALIA—Tender called for connection of two 660mw, 23kv generators to individual generator transformers & auxiliary transformers. Also covers mfr., delivery, erection & setting to work & maintenance at Eraring Power Station 2 sets 23kv, 20,000-phase isolated busbars & all necessary current transformers, neutral earthing & cabling. Est. value tender 2 million Australian dollars. Specs. & tender drawings available for A$20 (refundable) plus $2 each additional copy from Electricity Commission N.S.W., G.P.O. Box 5257, Sydney, N.S.W. 2001. Refer to spec. no. 2795. Bid deadline Jan. 16.

9918202—INDONESIA—PLN (Indonesian State Electricity Corp.), agency of Ministry of Public Works & Power, invites written tenders for rehabilitation project of Jakarta - Bogor - Tanggerang - Bekasi (JABOTABEK) distribution network under IBRD loan no. 1259. M.V. indoor metal clad switchgears; M.V. outdoor metal clad switchgears; distribution transformers; MV.V cables & accessories; single-pole M.V. cable for use in substations; MV.V electrical materials; L.V. cables & accessories; circuit breaker for pole-mounted transformers; material for service entrance; service entrance cables; fusegear & circuit breaker for consumer meter board; electric meters; low power single-phase & 3-phase auto transformer & single-phase transformers; single-core L.V. cable & accessories; accessories for isolated conductors for L.V. overhead lines; aluminum alloy conductors; insulated aluminum twisted conductors for L.V. overhead lines; 12/20kv overhead cables & accessories for M.V. overhead lines; accessories for 12/20kv overhead cables; pilot & telephone cables & accessories. Tender docs. available from Perusahaan Umum Listrik Negara, Direcktorat Pembangunan, Jalan Sunan Ngampel No. 1, 4th Fl., Rm. No. 402, Kebayoran Baru, Jakarta Selatan, Indonesia. Refer to bid no. IBRD-1259/2. Bid deadline Feb. 6.

9918204, 3661200-2100-2631-2652—INDIA—Design, mfr., installation & commissioning of central electric power load dispatch center for group of state-owned power systems. Dispatch center will be housed in Bombay & connected with 4 other remote dispatch centers, 3 of them in distant Baroda, Jabalpur & Ponda & 1 near Bombay. Bid divided into 6 work packages indicated below & tenders can be submitted for any or all work packages. Firms bidding for individual work packages will have to coordinate work with other bidders. Work package no. 1—systems diagram board; no. 2—dispatch center system control equip. & associated computer facilities incl. uninterruptible power supply system; no. 3—ancillary equip. like multichannel communication recorder, facsimile equip. & photocopying machine; no. 4—telemetry & telecontrol equip., stri chart recorder, transducers & 48v dc supplies with transmission from sldc to rldc; no. 5—load frequency control equip.; No. 6—additl. telemetry equip. in remote stations for transmission of data to Bombay center. IDA-financed. Procure tender docs. for RS.100 (approx. $11.36) from G. V. Anantha Ramiah, Member Secretary, Western Regional Electricity Board, Madhu Industrial Estate, Pandurang Budhkar Marg, Worli, Bombay 400013. Refer to bid no. IDA/WREB/1. Bid deadline Jan. 6.

Engineering services

9921299—BOLIVIA—Administrative consultant for foundry operations. ENAF, Bolivia's state-owned smelting company, is rapidly expanding foundry operations for locally extracted tin & other metals. Consulting firm must have Bolivian representative registered with Instituto Nacional De Preinversion De Bolivia (INALPRE). Specs. available for US$150 from Empresa Nacional De Fundiciones (ENAF), Asesoria Juridica ENAF, Casilla 4301, La Paz. Telex ENAFBOL 350090 VIA ITT. Refer to bid no. 11/77. Bid deadline Jan. 12.

9922109—MOROCCO—Surveying & establishment of detailed maps at 1/5,000 scale of total area 34,000 hectares located in Haouz area near Marrackech. Bid bond DH 35,000 (approx. US$7,780). Financed by Moroccan Central Govt. investment budget. Strongly advise bid submission & corres. in French. Obtain bidding file for DH 60 (approx. US$14) plus postage from Monsieur Le Directeur, Off. Regional De Mise En Valeur, Agricole Du Haouz, Ormvah, Bureau Des Marches, B.P. No. 22, Marrackech, Morocco. Bid deadline Jan. 17.

9922109—INDONESIA—National Coordination Agency for Surveys & Mapping invites sealed bids from firms of World Bank member countries & Switzerland, for aerial photography covering area 30.-927 sq. kilometers in Sumatra. Financed under IBRD loan no. IBRD-1197. Specs. & other relevant docs. available for nonrefundable $75 from Ir. Pranoto Asmoro, Chairman, Bakosurtanal, National Resource Survey & Mapping Project, Jalan Dr. Wahidini I No. 11, Jakarta Pusat, Indonesia. Cable BAKOSURTANAL JAKARTA PUSAT. Refer to bid no. IBRD/100-1/NRSMP/77. Bid deadline Dec. 22.

Turkey designates importer

U.S. suppliers of generators are advised that the only eligible importer of generators in Turkey is TEMSAN A.S., Turkish Electromechanical Industries Inc., Selanik Caddesi No. 27, Ankara. Recently so designated, TEMSAN is a newly established State enterprise.

Representations

Foreign private firms are interested in agency agreements and/or distributorships for these products.

Converted paper, board products

2641300—WEST GERMANY—Firm is seeking to represent U.S. mfrs. of gummed sealing tapes, paper base & reinforced base, for sealing & securing; corrugators' box gummed tape used on joints; single-faced paper backing self-adhesive tapes. Estab. 1969, employs 60, annual sales DM 9 million. Financial ref.: Dresdner Bank AG, Cologne. Reply to—Herr Funke, Mgr., Supra Verpackungs GmbH, Charlottenstr. 37-39, 5000 Cologne 90. Tel. 02203/53014; telex 8874514.

Glass products

3231681 — WEST GERMANY — Armored glass for automobiles. Quote c.i.f. Rotterdam. Estab. 1970, employs 500, annual sales DM 100 million. Financial ref.: Handels-und Privatbank, 4400 Muenster. Reply to—Herr Wolf Von Bila, Muelltechnik GmbH, Postfach 5506, 4400 Muenster. Tel. 0251-20560; telex 892411 MUELLD.

Household appliances

3262014-3012 — BELGIUM — Belgian firm seeks to represent U.S. supplier of household tableware & earthenware. Partnership manufacturing frying pans & stainless steel cooking utensils. Reply to — Philippe Assenmaker, Assenmaker Outi-Press S.P.R.L., Burnontige Terrieres, B-4080 Werbomont, Belgium. Tel. 086/43.33.96.

Cutlery, hand tools

3421111—BELGIUM—Cutlery for consumer use—grapefruit, meat, steak knives, etc., hand-held only. Stainless steel medium & low-priced items preferred. Fifty-year-old firm, reported annual sales turnover of BF 15-16 million, sells to wholesalers & dept. stores in Belgium & Luxembourg all sorts of cutlery & household items, such as plastic dinnerware. Reply to—Mr. Van Hamme, Proprietor, Ets O.L. Van Hamme, 35 Rue Francois Hellinckx, B-1080 Brussels. Tel. 0202/425.60.14.

Metal stampings

3469503-05 — AUSTRALIA — Distributorship sought for stainless steel cookware—top of range bakeware, pantryware, etc. Annual sales potential A$350,000. Small importer & distributor of stainless steel cookware, employs 5, imports from S. Africa, Switzerland & Spain. Reply to—G. Salomon, Mgr., Finemark Pty. Ltd., 1 Edward St., Oakleigh, Vic. 3166. Tel. 03/5683195.

Metalworking machinery

3546101-11-35 — BELGIUM — Agency sought for armature-mounted electric drills—¼ inch chuck size & under; armature-mounted electric saws, circular—7 inch blade & smaller; other electric-powered handtools. Privately-owned co., estab. 6 months ago, acts as importer/exporter & as export agent for several Belgian companies. Imports worldwide & exports mainly to Europe & Middle East. Employs 3. Reply to—J. Herman, Mgr., Symbiose Internationale, Avenue Bruggman 32, B-1060 Brussels. Tel. 02/538.75.29. Telex 61466.

3546154—BELGIUM—One-year-old partnership seeks to represent U.S. supplier of replaceable inserted blade cutters, all types—over 4 in. diameter. Imports/distrib. diamonds & diamond tools for industrial use. Imports mainly from U.K. Sales territory is France & Belgium. Employs 5; annual sales volume $400,000. Reply to—P. M. Dufrasne, Dir., Gem Europe S.P.R.L., Rue Vandevelde 135, B-7100 La Louviere, Belgium. Tel. 064/22.55.15; telex 57547.

Special industrial machinery

3551183-198-412-491 — FRANCE — Direct sale & distributorship opportunity for cheese processing machinery; dairy products processing machinery; cheese packaging machines; control devices, pumps & valves for above machines. Large agricultural machinery mfr., founded 1856, employs 450. Annual sales volume, $8.5 million. Corp. owns premises on 24 acres at Cherbourg. Licensing arrangements existing—Mahaffy & Harder, Totowa, N.J.; Filper Pack Corp., San Ramon, Calif.; Holmatic, San Bruno, Calif.; Sabel Engineering, Richmond, Calif.; & Westinghouse, Philadelphia. Worldwide sales territory. Bank ref.: Banque de France, Credit Lyonnais, 50 Cherbourg. Reply to—Patrick Simon, Gen. Mgr., Ets. Simon Freres, P.O. Box 47, 50104 Cherbourg. Cable CONTIMAB-CHERBOURG; telex 170679; tel. (33) 53-72-03.

Household appliances

3634310 - 20 - 70 — WEST GERMANY — Agency sought for household food preparation appliances, all types. Single proprietorship, founded 1946, wholesaler/distr. of kitchen & household appliances, sales territory Hesse, Rheinland-Pfalz, Saarland. Staff of 5. Annual turnover in 1976—DM 2 million. Reply to—Johannes Ladehoff, Owner/Mgr., Kuechentechnische Einrichtungen P. Zahn, Nieder-Ramstaedtr Strasse 77-81, 6100 Darmstadit, Germany. Tel. 06151-48592.

3634350—BELGIUM—Steam irons. Corporation, capitalized at BF 40 million & employing 265, imports & distributes housewares & electric appliances throughout Belgium. Seeks U.S.-manufactured 220 volt steam irons to add to product line. Reply to—Jan Bauwens, Mng. Dir., Elma TTC, N.V., Oude Gentweg 100, B-2720 Burcht, Belgium. Tel. 031/52.84.10; telex 31662.

3634398—WEST GERMANY—Seeks to distribute electric coffee-cream dispensers, electric sugar dispensers, for 220 volt, 50 cycles. Estab. 1946, employs 8, sells directly to commercial end-users, i.e., restaurants, cafeterias, casinos, institutional dining facilities. Financial refs.: Stadtsparkasse & Kreissparkasse, both 5000 Koeln. Reply to—Herr Neuhaus, Grosskuechentechnik Carl M. Neuhaus, Postfach 160177, Clever Str. 12, 5000 Koeln 1, Germany. Tel. 0221/122692.

Electronic equipment

3662681—SWITZERLAND—Seeks to represent U.S. manufacturer of electronic mosquito repellers working with ultraviolet light, high frequency, chemical vapors or other means, electronic "master mind" intelligence testing games. Est. annual potential $70,000. Market territory Switzerland, Great Britain, Near East & West Germany. Newly estab. proprietorship, specializing in trade in newly developed electronic consumer goods. Financial relations modest but well ordered. Business recommended with larger transactions against usual guaranties. Reply to—M. Gruenwald, Caltron Elektronik, Waffenplatzstr. 78, P.O.B. CH-8059 Zurich. Tel. 01/201 05 48; telex 53 168 ATT CMG.

3662697—BRAZIL—Medium-sized mfr. of electronic games, home-type radio receivers, importer & retailer of telephone components, interested in importing TV games & components for own use & distribution. Estab. since 1946, operates with capital of 760,000 cruzeiros. Annual sales volume 30 million cruzeiros. Sells in Rio De Janeiro, Sao Paulo, Curitiba, Belo Horizonte, Recife, Fortaleza, Belem & Rio Branco & Acre territories. Maintains branch office in Sao Paulo. Has excl. rep. agreement with Buck Engineering Co. Inc., Farmingdale, N.J. Financial situation presently somewhat tight, but payments being met promptly. WTDR 09/77. Reply to—Claudio Fechheimer, Dir., Electronic Do Brasil Comercio E Industria Ltda., Rua Do Rosario 159, 20000 Rio De Janeiro, RJ, Brazil. Cable RADIOTTO; tel. 252-0081.

3662697 — ITALY — Special electronic equipment for production of so-called computerized t-shirts. System consists mainly of TV camera connected with computer transmitting & printing customers image on garments. Small size partnership estab. 1976 operating as importer/agent of casual & sportswear now interested in importing equipment described above & eventual excl. distributorship. Sells in Italy & Sweden with reported annual sales volume exceeding $900,000. Bonaldi would appreciate receiving sales prices & details. He is prepared to visit potential suppliers at their U.S. locations. Reply to—Claudio Bonaldi, Distribution Intl. Co., S.A.S., Via Corsica 21/6, I-16128 Genoa. Tel. 010/593961.

Measuring & controlling devices

3825214—WEST GERMANY—Sales agent est. 1977, seeks agency for oscillographs & accessories. Cooperates with air-freight forwarding firm, Universal Transport. Handles electronic components & measuring instruments, CB radio equipment. Bank ref.: Dresdner Bank, Frankfurt Airport. Anticipates sales of DM 1 million in current year. Reply to—Adm. Andreas D. Ispavnik, Fasanenweg 7, 6092 Kelsterbach, Germany. Tel. 06107-4768; telex 4-17774.

3829230-92—SWEDEN — Agency sought for vibration measuring equipment, with recording tapes. Small company, estab. 1968, employs 4. Share capital skr 5,000 & turnover reportedly skr 350,000. Sales area — Sweden. According to local credit sources, company is financially sound & has met business obligations promptly. Reply to—Lennart Hansebjer, Mng. Dir., Hansa Konsult AB, Box 528, S-136 25 Handen, Sweden. Tel. 08/777 19 03.

Photographic equipment, supplies

3861110—DENMARK—Well-reputed firm, with more than 30 years experience in advanced instruments, seeks agency for exposure meters for cameras. Has 12 employees, works primarily as agent covering all of Denmark. Reply to—E. Kornerup, Mgr., Kornerup Kock & Bang A/S, Havnegade 16, DK-8000 Aarhus C., Denmark. Tel. 06-131166; telex 64428.

Special product groups

9950014—UNITED KINGDOM — Do-it-yourself items sought by Sterling Roncraft, household name in wood finishes, varnishes, wood treatment sector of do-it-yourself market in U.K. Also makes & distributes tap conversion kits, aluminum wall tiles, textured wallcoverings & double glazing units. Co. actively seeks new products to add to present range with view to future mfr. under license. Ref.: Midland Bank Ltd., Chapeltown, Sheffield. Reply to

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Future Construction Abroad

PERU—Government issued international invitation to bid for selecting consulting firm for construction of 196 km. highway between Olmos and Corral Quemado in northeast Peru. Project involves some $30.3 million in expenditures provided by Interamerican Development Bank under Contract No. 461/SF-PE. Ministry of Transport & Communications indicates that bidding was won by De Leuw, Cather International Inc. of Chicago in association with local firms Motlima Consultores S.A., Barriga Dell'orto Ings. Consultores S.C.R.L., and Kuylen & Figueroa Ings. Asociados. This consortium is now updating feasibility study of project and expects to complete it soon. Ministry also informs that bids for highway construction might be called in May or June 1978. U.S. firms interested in further information contact: Sr. Ing. Jorge Miranda Patron, Dir. De Ingenieria, Dir. Gen. De Transporte Terrester, Ministerio de Transportes y Comunicaciones, Av. 28 De Julio 800, Lima 1, Tel. 237800, or Sr. Ing. German De La Fuente, Presidente Ejecutivo, Motlima Consultores S.A., Av. Petit Thouars 497, Lima 1, Tel. 327777.

PERU—Government issued tender in 1976 for selecting contractor for construction of Iquitos General Hospital, in jungle area. Hospital will have 300-bed capacity and be financed with Peruvian Government funds. Tender was for turnkey bids. Winner of tender was local consortium Bruce/Tizon Asociados formed by Bruce S.A. Contratistas Generales and C. Tizon P.S.A. Ingenieros. Contract amounts to 797 million soles (approx. $9.6 million). Execution of work started June 1, 1977. Project still represents good potential for **hospital equipment** sales and interested suppliers should follow up on these possibilities. Contact: Ing. Guillermo Bruce Caceres, Gerente General, Bruce/Tizon Asociados, (Proyecto Hospital General De Iquitos), Plaza Arrospide No. 9, Lima 27, Tel. 221430.

OMAN—**A list of major projects** under way or in the planning stage in Oman, prepared by the American Embassy in Muscat, is available from Dept. of Commerce, TOP, Rm 2321, Washington, D.C. 20230. Tel. 202-377-2251.

Visiting Buyers & Officials

JAPAN—Takayuki Takayama of Osaka will be traveling to the United States in near future to purchase **spring and summer clothing.** For information contact Theresa E. Rettig, Foreign Buyer Program, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230; phone 202-377-3265.

SWEDEN—Jan Karelfeldt of Stockholm is interested in U.S. **sterling silver and silverplated cutlery and tableware.** Theresa Rettig, 202-377-3265.

KENYA—M. Sidnick of Nairobi is interested in hearing from U.S. manufacturers of **lead acid automotive batteries.** His primary interest is positive and negative dry-charged battery plate separators for assembly of lead acid batteries. Theresa Rettig, 202-377-3265.

SWEDEN—Bengt Karlsson of Stockholm wants to contact U.S. suppliers of **plastic lamination equipment, identification systems, coin-operated photo studios and copying machines.** Theresa Rettig, 202-377-3265.

AUSTRALIA—R. N. Coughey of Sydney is interested in **residential air conditioners,** grill sizes 6x6 inches to 36x36 inches, fan sizes 200 c.f.m. to 750 c.f.m. Theresa Rettig, 202-377-3265.

ECUADOR—Bolivar Chiriboea of Ecuador, but living in the U.S. for awhile, is interested in **food processing equipment** as follows: processing, packaging of cereals, bread, cocoa. He is also interested in **industrial laundry and dry cleaning equipment.** For further information contact Bolivar Chiriboea, 1101 New Hampshire Ave., NW., Washington, D.C. 20037.

ECUADOR—Walter H. Correa of Ecuador, currently living in the U.S., is interested in **cement machinery forms, floor tiles, plastering equipment** (gypsum available in Ecuador). For additional information contact Walter H. Correa, 3040 Idaho Ave., NW., Apt. 326, Washington, D.C. 20016; phone 202-362-5113.

UNITED KINGDOM—James D. Inglis, Director, Inglis Engineering Services Ltd., 20 Carron Place, Kelvin Industrial Estate, East Kilbride, Glasgow, G75 OQP, is visiting the U.S. through Dec. 13 to attend the 36th Exposition of Chemical Industries, McCormick Place, Chicago, Dec. 5-8 and to negotiate manufacturing licenses and sales agency agreements with American manufacturers for the United Kingdom, Middle East and West Africa. Products of primary interest are **water meters and air and fluid transmission line assemblies.** Inglis Engineering is a small independent manufacturer of engineering fittings in steel and cast iron with its own sales force covering the above areas. From Nov. 30-Dec. 4 Inglis will be at Vac-U-Max, Inc., 37 Rutgers St., Belleville, N.J. 07109; Dec. 5-8 at McCormick Place; Dec. 9-13 at Cyclonaire Corp., Henderson, Nebr. The visit can be extended for meetings. Interested American firms may call or write George B. Keen, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-2068.

INDIA—P. Deb, Management and Financial Consultant of Indian Mineral and Chemical Industries Ltd. and G.S. Emporium Agency Ltd. is visiting the United States to negotiate exclusive agreements to represent American manufacturers of **urea, sulphur and rock phosphate, nitrate of potash, diammonium phosphate and mono-ammonium phosphate, and sulphate of potash.** Deb wishes to contract at competitive prices by ordering bulk quantities. Interested firms contact Bill Corfitzen, 202-377-2068.

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Boston, 02116, 10th Floor, 441 Stuart St. (617) 223-2312.

Buffalo, N.Y., 14202, Room 1312, Federal Bldg., 111 W. Huron St. (716) 842-3208.

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Cheyenne, Wyo., 82001, 6022 O'Mahoney Federal Center, 2120 Capitol Ave (307) 778-2220, Ext. 2151.

Chicago, 60603, Room 1406, Mid-Continental Plaza Bldg., 55 E. Monroe St. (312) 353-4450.

Cincinnati, 45202, 10504 Federal Office Bldg., 550 Main St. (513) 684-2944.

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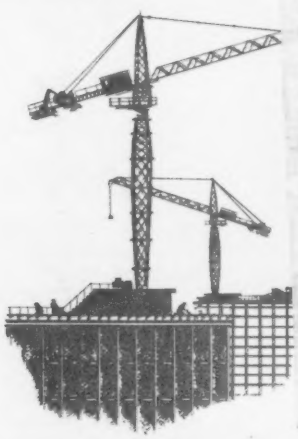

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